



City of Palo Alto

City Council Staff Report

(ID # 5295)

Report Type: Consent Calendar

Meeting Date: 1/12/2015

Summary Title: Sludge Dewatering and Load Out Facility

Title: Approval of Contract No. C15156020 With CH2M HILL in the Total Amount Not to Exceed \$2,301,221 to Provide Design & Environmental Consulting Services for Sludge Dewatering and Load Out Facility at Regional Water Quality Control Plant - Capital Improvement Program Project WQ-14001; and Adoption of a Budget Amendment Ordinance in the Amount of \$1,942,651 to Provide Additional Appropriation for the Biosolids Facility Project, WQ-14001.

From: City Manager

Lead Department: Public Works

Recommendation

Staff recommends that Council:

1. Approve, and authorize the City Manager or his designee, to execute the attached contract with CH2M HILL (Attachment A) in an amount not to exceed \$2,301,221 for design and environmental consulting services for sludge dewatering and loadout facility (Component One of the Organics Facilities Plan (OFP)) at the Regional Water Quality Control Plant (RWQCP) Capital Improvement Program, Project WQ-14001, including \$2,092,019 for basic services and \$209,202 for additional services; and
2. Adopt the Budget Amendment Ordinance in the amount of \$1,942,651 (Attachment B) to increase the Biosolids Facility project in the Wastewater Treatment Fund (WQ-14001), offset by a corresponding reduction to the Plant Equipment Replacement project (WQ-80021).

Executive Summary

A [Long Range Facilities Plan](#) (LRFP) was prepared in 2012 to provide a road map for the RWQCP's future. In 2014, a Biosolids Facilities Plan (BFP) was prepared as

part of an Organics Facilities Plan (OFP). The RWQCP seeks professional engineering and design services to assist staff with the implementation of Component One of the Organics Facilities Plan, which is a new sludge dewatering and truck loadout facility. The new facility will allow retirement of the City's two sewage sludge incinerators by 2019. Total project cost including design and construction is expected to be approximately \$18 million.

Background

The Palo Alto Regional Water Quality Control Plant (RWQCP) was originally constructed in 1934 and has undergone several expansions and upgrades. The RWQCP is an advanced treatment facility that provides treatment and disposal of wastewater for the cities of Palo Alto, Mountain View, and Los Altos; the Town of Los Altos Hills; the East Palo Alto Sanitary District; and Stanford University. The RWQCP currently has a designed average dry weather flow (ADWF) capacity of 39 million gallons per day (MGD), and a current average flow of about 18 MGD. The RWQCP effluent is partly discharged to the San Francisco Bay, and partly diverted to the RWQCP recycled water facility for reuse.

For more information on solids handling systems, see the [Biosolids Facilities Plan](#), [Long Range Facilities Plan](#), and the [Preliminary Design Report](#) for the sludge dewatering and truck load out facility.

Discussion

The City is one of two wastewater plants operating sewage sludge incinerators in California. Palo Alto is planning to retire the incinerators in 2019, when the incinerators will have been in service for 47 years. On January 24, 2013, Council approved the development of a [Biosolids Facility Plan \(BFP\)](#) (See [SR ID# 3383](#)). On May 12, 2014, Council approved an Organic Facilities Plan (OFP) (See [SR ID# 4744](#)). The BFP, in particular, detailed the evaluation of solutions to retire the Plant's two sewage sludge incinerators. On May 12, 2014, the Council also directed staff to initiate the design of Component One of the OFP, which is a sludge dewatering and truck load out facility. The new sludge dewatering and truck load facility allows sealed truck hauling of dewatered sewage sludge cake to regional facilities for final treatment. The likely facilities would either compost and/or anaerobically digest the sludge into a stabilized product for suitable land application. Approval of a sludge hauling contract detailing the disposal solution would be brought back to Council in approximately 2019, after successful

commissioning of the new dewatering and truck loadout facility.

Component 2 of the OFP, the larger project at approximately \$57 million total cost, consists of anaerobic digesters, biogas utilization, electric energy generating systems, and a thermal hydrolysis pretreatment step. Staff is still completing the preliminary design of Component 2 and work is expected to be complete in February 2015. Component 1 startup is needed prior to initiating construction of Component 2. The incinerators must remain in service until startup of the sludge dewatering facility; only then can the incinerators be demolished and the site cleared before the larger complex of digester tanks and energy generating equipment can be installed at the constrained RWQCP site. Council approval of the design contract for Component 1 is a key step in allowing for retirement of the incinerators and paving the way for the future anaerobic digester system that will produce local, renewable energy that can run the RWQCP.

Scope of Services Description

The consultant will design, develop specifications including those for ancillary equipment, prepare bid documents for procurement, and facilitate the permitting and California Environment Quality Act (CEQA) review for a complete operational sewage sludge dewatering system and load out facility.

On September 2, 2014 a notice for Request for Proposals for design services for the Sludge Dewatering and Loadout Facility was posted to the City’s website and was sent to 5 design firms and 12 Builders Exchanges. Proposals were received from two firms on September 30, 2014.

Summary of Solicitation Process

Proposal Title/Number	Design Of Sludge Dewatering and Loadout Facility At The Regional Water Quality Control Plant - RFP No. 156020
Proposed Length of Project	18 months
Number of Proposals mailed &/or emailed	5 Consultants 12 Builders Exchanges
Total Days to Respond to Proposal	28
Pre-proposal Meeting Date	September 9, 2014

Number of Company Attendees at Pre-proposal Meeting	6 firms
Number of Proposals Received:	2
Number of Companies Interviewed	2
Range of Proposal Amounts Submitted	\$1,997,520 to \$2,092,019

Evaluation of Proposals

An evaluation committee consisting of Public Works Department engineering staff reviewed the two proposals. The committee carefully reviewed each firm's qualifications and submittal in response to the criteria identified in the RFP. The criteria used to evaluate the proposing firms included: Quality and completeness of proposal; quality, performance, and effectiveness of the work plan; proposer's experience; proposer's ability to perform the work within the time specified; cost; proposer's financial stability; proposer's prior record of performance with the City; and proposer's compliance with applicable laws and regulations.

Both firms were invited to participate in oral interviews on October 30, 2014. Fee proposals of both firms were within 5% of each other, but CH2M HILL's fees are higher. CH2M HILL was selected because of its understanding of needed design services; the quality, innovation and thoroughness of its proposed work plan; and the professional experience of the key team members. During CH2M HILL's presentation and interview, CH2M HILL's team members best demonstrated an understanding of the Plant's intentions for this project, especially in regards to the building and equipment layout, height restrictions, other site constraints, and the future sludge digestion system.

Timeline

The base design work is estimated to be completed fourteen months after the issuance of the notice to proceed, or approximately March 2016. Construction is estimated to be completed thirty-six months after the issuance of notice to proceed, or approximately July 2019.

Resource Impact

The project is to be funded by the Biosolids Facility project (WQ-14001) in the Wastewater Treatment Fund. With \$358,570 available within this project, a shortfall of \$1,942,651 exists. As a result, the Plant Equipment Replacement Project (WQ-80021) is proposed to be reduced, with resulting savings placed in the Biosolids Facility project. The overall cost of the Biosolids Facility project is not increasing at this time, but rather the project is being accelerated consistent with City Council direction. No major impacts as a result of reducing the Plant Equipment Replacement project are anticipated at this time as this recurring project is recommended to be fully funded again as part of the FY 2016 Proposed Capital budget process.

Additionally, the CIP Program Manager ([SR ID# 5116](#)), RMC Water & Environment, will assist the City in securing a low-interest State Revolving Fund (SRF) loan for this project. The latest published SRF loan interest rate is a favorable 1.9%. An SRF loan can be secured after completion of CEQA. The SRF loan principal will reimburse the Wastewater Treatment Fund WQ-80021 capital budget to cover this project's design, CEQA, and construction expenses; repayment of the principal and interest on the SRF loan will be paid by the Wastewater Treatment Fund operating budget, which is reimbursed approximately 62% by five Plant partner agencies. The first repayment of a 30-year SRF loan is expected to begin in early 2020, a year after construction completion, and would be included as an expense in the FY2020 Wastewater Treatment Fund operating budget.

Policy Implications

Authorization of this project does not represent a change in existing policies.

Environmental Review

This design phase of the project does not require the review under California Environmental Quality Act (CEQA); however a CEQA review will be completed for the construction phase of the project. At a minimum, a mitigated negative declaration is expected for the construction phase.

Attachments:

- A: C15156020_CH2M HILL Design of Sludge Dewatering and Loadout Facility (PDF)
- B: BAO XXXX Biosolids CIP (DOCX)

CITY OF PALO ALTO CONTRACT NO. C15156020
AGREEMENT BETWEEN THE CITY OF PALO ALTO AND
CH2M HILL ENGINEERING FOR PROFESSIONAL SERVICES

This Agreement is entered into on this 12th day of January, 2014, (“Agreement”) by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and CH2M HILL ENGINEERS, INC., a California corporation, located at 1737 North 1st Street, Suite 300, San Jose, CA 95112 (“CONSULTANT”).

RECITALS

The following recitals are a substantive portion of this Agreement.

A. CITY intends to complete an operational sewage sludge dewatering system and load out facility at the Palo Alto Regional Water Quality Control Plant (“Project”) and desires to engage a consultant to size, design, and develop specifications for the sludge dewatering and loadout facility in connection with the Project (“Services”).

B. CONSULTANT has represented that it has the necessary professional expertise, qualifications, and capability, and all required licenses and/or certifications to provide the Services.

C. CITY in reliance on these representations desires to engage CONSULTANT to provide the Services as more fully described in Exhibit “A”, attached to and made a part of this Agreement.

NOW, THEREFORE, in consideration of the recitals, covenants, terms, and conditions, in this Agreement, the parties agree:

AGREEMENT

SECTION 1. SCOPE OF SERVICES. CONSULTANT shall perform the Services described in Exhibit “A” in accordance with the terms and conditions contained in this Agreement. The performance of all Services shall be to the reasonable satisfaction of CITY.

Optional On-Call Provision (This provision only applies if checked and only applies to on-call agreements.)

Services will be authorized by the City, as needed, with a Task Order assigned and approved by the City’s Project Manager. Each Task Order shall be in substantially the same form as Exhibit A-1. Each Task Order shall designate a City Project Manager and shall contain a specific scope of work, a specific schedule of performance and a specific compensation amount. The total price of all Task Orders issued under this Agreement shall not exceed the amount of Compensation set forth in Section 4 of this Agreement. CONSULTANT shall only be compensated for work performed under an authorized Task Order and the City may elect, but is not required, to

authorize work up to the maximum compensation amount set forth in Section 4.

SECTION 2. TERM.

The term of this Agreement shall be from the date of its full execution through completion of the services in accordance with the Schedule of Performance attached as Exhibit “B” unless terminated earlier pursuant to Section 19 of this Agreement.

SECTION 3. SCHEDULE OF PERFORMANCE. Time is of the essence in the performance of Services under this Agreement. CONSULTANT shall complete the Services within the term of this Agreement and in accordance with the schedule set forth in Exhibit “B”, attached to and made a part of this Agreement. Any Services for which times for performance are not specified in this Agreement shall be commenced and completed by CONSULTANT in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the CONSULTANT. CITY’s agreement to extend the term or the schedule for performance shall not preclude recovery of damages for delay if the extension is required due to the fault of CONSULTANT.

SECTION 4. NOT TO EXCEED COMPENSATION. The compensation to be paid to CONSULTANT for performance of the Services described in Exhibit “A”, including both payment for professional services and reimbursable expenses, shall not exceed Two Million Ninety-Two Thousand Nineteen Dollars (\$2,092,019.00). In the event Additional Services are authorized, the total compensation for Services, Additional Services and reimbursable expenses shall not exceed Two Million Three Hundred One Thousand Two Hundred and Twenty-One Dollars (\$2,301,221).

The applicable rates and schedule of payment are set out in Exhibit “C-1”, entitled “HOURLY RATE SCHEDULE,” which is attached to and made a part of this Agreement.

Additional Services, if any, shall be authorized in accordance with and subject to the provisions of Exhibit “C”. CONSULTANT shall not receive any compensation for Additional Services performed without the prior written authorization of CITY. Additional Services shall mean any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described in Exhibit “A”.

SECTION 5. INVOICES. In order to request payment, CONSULTANT shall submit monthly invoices to the CITY describing the services performed and the applicable charges (including an identification of personnel who performed the services, hours worked, hourly rates, and reimbursable expenses), based upon the CONSULTANT’s billing rates (set forth in Exhibit “C-1”). If applicable, the invoice shall also describe the percentage of completion of each task. The information in CONSULTANT’s payment requests shall be subject to verification by CITY. CONSULTANT shall send all invoices to the City’s project manager at the address specified in Section 13 below. The City will generally process and pay invoices within thirty (30) days of receipt.

SECTION 6. QUALIFICATIONS/STANDARD OF CARE. All of the Services shall be

performed by CONSULTANT or under CONSULTANT's supervision. CONSULTANT represents that it possesses the professional and technical personnel necessary to perform the Services required by this Agreement and that the personnel have sufficient skill and experience to perform the Services assigned to them. CONSULTANT represents that it, its employees and subconsultants, if permitted, have and shall maintain during the term of this Agreement all licenses, permits, qualifications, insurance and approvals of whatever nature that are legally required to perform the Services.

All of the services to be furnished by CONSULTANT under this agreement shall meet the professional standard and quality that prevail among professionals in the same discipline and of similar knowledge and skill engaged in related work throughout California under the same or similar circumstances.

SECTION 7. COMPLIANCE WITH LAWS. CONSULTANT shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this Agreement. CONSULTANT shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

SECTION 8. ERRORS/OMISSIONS. CONSULTANT shall correct, at no cost to CITY, any and all errors, omissions, or ambiguities in the work product submitted to CITY, provided CITY gives notice to CONSULTANT. If CONSULTANT has prepared plans and specifications or other design documents to construct the Project, CONSULTANT shall be obligated to correct any and all errors, omissions or ambiguities discovered prior to and during the course of construction of the Project. This obligation shall survive termination of the Agreement.

SECTION 9. COST ESTIMATES. If this Agreement pertains to the design of a public works project, CONSULTANT shall submit estimates of probable construction costs at each phase of design submittal. If the total estimated construction cost at any submittal exceeds ten percent (10%) of the CITY's stated construction budget, CONSULTANT shall make recommendations to the CITY for aligning the PROJECT design with the budget, incorporate CITY approved recommendations, and revise the design to meet the Project budget, at no additional cost to CITY.

SECTION 10. INDEPENDENT CONTRACTOR. It is understood and agreed that in performing the Services under this Agreement CONSULTANT, and any person employed by or contracted with CONSULTANT to furnish labor and/or materials under this Agreement, shall act as and be an independent contractor and not an agent or employee of the CITY.

SECTION 11. ASSIGNMENT. The parties agree that the expertise and experience of CONSULTANT are material considerations for this Agreement. CONSULTANT shall not assign or transfer any interest in this Agreement nor the performance of any of CONSULTANT's obligations hereunder without the prior written consent of the city manager. Consent to one assignment will not be deemed to be consent to any subsequent assignment. Any assignment made without the approval of the city manager will be void.

SECTION 12. SUBCONTRACTING.

Option A: No Subcontractor: CONSULTANT shall not subcontract any portion of the work to be performed under this Agreement without the prior written authorization of the city manager or designee.

Option B: Subcontracts Authorized: Notwithstanding Section 11 above, CITY agrees that subconsultants may be used to complete the Services. The subconsultants authorized by CITY to perform work on this Project are:

MWA Architects Inc.
Siegfried Engineering, Inc.
Matthew Higgins, PhD

CONSULTANT shall be responsible for directing the work of any subconsultants and for any compensation due to subconsultants. CITY assumes no responsibility whatsoever concerning compensation. CONSULTANT shall be fully responsible to CITY for all acts and omissions of a subconsultant. CONSULTANT shall change or add subconsultants only with the prior approval of the city manager or his designee.

SECTION 13. PROJECT MANAGEMENT. CONSULTANT will assign Dave Green as the Project Manager to have supervisory responsibility for the performance, progress, and execution of the Services and Susan Dennis as the assistant project manager to represent CONSULTANT during the day-to-day work on the Project. If circumstances cause the substitution of the project director, project coordinator, or any other key personnel for any reason, the appointment of a substitute project director and the assignment of any key new or replacement personnel will be subject to the prior written approval of the CITY's project manager. CONSULTANT, at CITY's request, shall promptly remove personnel who CITY finds do not perform the Services in an acceptable manner, are uncooperative, or present a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property.

The City's project manager is Padmakar Chaobal, Public Works Department, Environmental Services Division, Water Quality Control Plant, 2501 Embarcadero Way, Palo Alto, CA 94303, Telephone: (650) 329-2287. The project manager will be CONSULTANT's point of contact with respect to performance, progress and execution of the Services. The CITY may designate an alternate project manager from time to time.

SECTION 14. OWNERSHIP OF MATERIALS. Upon delivery, all work product, including without limitation, all writings, drawings, plans, reports, specifications, calculations, documents, other materials and copyright interests developed under this Agreement shall be and remain the exclusive property of CITY without restriction or limitation upon their use. CONSULTANT agrees that all copyrights which arise from creation of the work pursuant to this Agreement shall be vested in CITY, and CONSULTANT waives and relinquishes all claims to copyright or other intellectual property rights in favor of the CITY. Neither CONSULTANT nor its contractors, if

any, shall make any of such materials available to any individual or organization without the prior written approval of the City Manager or designee. CONSULTANT makes no representation of the suitability of the work product for use in or application to circumstances not contemplated by the scope of work.

SECTION 15. AUDITS. CONSULTANT will permit CITY to audit, at any reasonable time during the term of this Agreement and for three (3) years thereafter, CONSULTANT's records pertaining to matters covered by this Agreement. CONSULTANT further agrees to maintain and retain such records for at least three (3) years after the expiration or earlier termination of this Agreement.

SECTION 16. INDEMNITY.

[Option A applies to the following design professionals pursuant to Civil Code Section 2782.8: architects; landscape architects; registered professional engineers and licensed professional land surveyors.] 16.1. To the fullest extent permitted by law, CONSULTANT shall protect, indemnify, defend and hold harmless CITY, its Council members, officers, employees and agents (each an "Indemnified Party") from and against any and all demands, claims, or liability of any nature, including death or injury to any person, property damage or any other loss, including all costs and expenses of whatever nature including attorneys fees, experts fees, court costs and disbursements ("Claims") that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONSULTANT, its officers, employees, agents or contractors under this Agreement, regardless of whether or not it is caused in part by an Indemnified Party.

[Option B applies to any consultant who does not qualify as a design professional as defined in Civil Code Section 2782.8.] 16.1. To the fullest extent permitted by law, CONSULTANT shall protect, indemnify, defend and hold harmless CITY, its Council members, officers, employees and agents (each an "Indemnified Party") from and against any and all demands, claims, or liability of any nature, including death or injury to any person, property damage or any other loss, including all costs and expenses of whatever nature including attorneys fees, experts fees, court costs and disbursements ("Claims") resulting from, arising out of or in any manner related to performance or nonperformance by CONSULTANT, its officers, employees, agents or contractors under this Agreement, regardless of whether or not it is caused in part by an Indemnified Party.

16.2. Notwithstanding the above, nothing in this Section 16 shall be construed to require CONSULTANT to indemnify an Indemnified Party from Claims arising from the active negligence, sole negligence or willful misconduct of an Indemnified Party.

16.3. The acceptance of CONSULTANT's services and duties by CITY shall not operate as a waiver of the right of indemnification. The provisions of this Section 16 shall survive the expiration or early termination of this Agreement.

SECTION 17. WAIVERS. The waiver by either party of any breach or violation of any covenant, term, condition or provision of this Agreement, or of the provisions of any ordinance or law, will not be deemed to be a waiver of any other term, covenant, condition, provisions,

ordinance or law, or of any subsequent breach or violation of the same or of any other term, covenant, condition, provision, ordinance or law.

SECTION 18. INSURANCE.

18.1. CONSULTANT, at its sole cost and expense, shall obtain and maintain, in full force and effect during the term of this Agreement, the insurance coverage described in Exhibit "D". CONSULTANT and its contractors, if any, shall obtain a policy endorsement naming CITY as an additional insured under any general liability or automobile policy or policies.

18.2. All insurance coverage required hereunder shall be provided through carriers with AM Best's Key Rating Guide ratings of A-VII or higher which are licensed or authorized to transact insurance business in the State of California. Any and all contractors of CONSULTANT retained to perform Services under this Agreement will obtain and maintain, in full force and effect during the term of this Agreement, identical insurance coverage, naming CITY as an additional insured under such policies as required above.

18.3. Certificates evidencing such insurance shall be filed with CITY concurrently with the execution of this Agreement. The certificates will be subject to the approval of CITY's Risk Manager and will contain an endorsement stating that the insurance is primary coverage and will not be canceled, or materially reduced in coverage or limits, by the insurer except after filing with the Purchasing Manager thirty (30) days' prior written notice of the cancellation or modification. If the insurer cancels or modifies the insurance and provides less than thirty (30) days' notice to CONSULTANT, CONSULTANT shall provide the Purchasing Manager written notice of the cancellation or modification within two (2) business days of the CONSULTANT's receipt of such notice. CONSULTANT shall be responsible for ensuring that current certificates evidencing the insurance are provided to CITY's Purchasing Manager during the entire term of this Agreement.

18.4. The procuring of such required policy or policies of insurance will not be construed to limit CONSULTANT's liability hereunder nor to fulfill the indemnification provisions of this Agreement. Notwithstanding the policy or policies of insurance, CONSULTANT will be obligated for the full and total amount of any damage, injury, or loss caused by or directly arising as a result of the Services performed under this Agreement, including such damage, injury, or loss arising after the Agreement is terminated or the term has expired.

SECTION 19. TERMINATION OR SUSPENSION OF AGREEMENT OR SERVICES.

19.1. The City Manager may suspend the performance of the Services, in whole or in part, or terminate this Agreement, with or without cause, by giving ten (10) days prior written notice thereof to CONSULTANT. Upon receipt of such notice, CONSULTANT will immediately discontinue its performance of the Services.

19.2. CONSULTANT may terminate this Agreement or suspend its performance of the Services by giving thirty (30) days prior written notice thereof to CITY, but

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only in the event of a substantial failure of performance by CITY.

19.3. Upon such suspension or termination, CONSULTANT shall deliver to the City Manager immediately any and all copies of studies, sketches, drawings, computations, and other data, whether or not completed, prepared by CONSULTANT or its contractors, if any, or given to CONSULTANT or its contractors, if any, in connection with this Agreement. Such materials will become the property of CITY.

19.4. Upon such suspension or termination by CITY, CONSULTANT will be paid for the Services rendered or materials delivered to CITY in accordance with the scope of services on or before the effective date (i.e., 10 days after giving notice) of suspension or termination; provided, however, if this Agreement is suspended or terminated on account of a default by CONSULTANT, CITY will be obligated to compensate CONSULTANT only for that portion of CONSULTANT's services which are of direct and immediate benefit to CITY as such determination may be made by the City Manager acting in the reasonable exercise of his/her discretion. The following Sections will survive any expiration or termination of this Agreement: 14, 15, 16, 19.4, 20, and 25.

19.5. No payment, partial payment, acceptance, or partial acceptance by CITY will operate as a waiver on the part of CITY of any of its rights under this Agreement.

SECTION 20. NOTICES.

All notices hereunder will be given in writing and mailed, postage prepaid, by certified mail, addressed as follows:

To CITY: Office of the City Clerk
 City of Palo Alto
 Post Office Box 10250
 Palo Alto, CA 94303

With a copy to the Purchasing Manager

To CONSULTANT: Attention of the project director
 at the address of CONSULTANT recited above

SECTION 21. CONFLICT OF INTEREST.

21.1. In accepting this Agreement, CONSULTANT covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the Services.

21.2. CONSULTANT further covenants that, in the performance of this Agreement, it will not employ subconsultants, contractors or persons having such an interest. CONSULTANT certifies that no person who has or will have any financial interest under this Agreement is an officer or employee of CITY; this provision will be interpreted in accordance

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with the applicable provisions of the Palo Alto Municipal Code and the Government Code of the State of California.

21.3. If the Project Manager determines that CONSULTANT is a “Consultant” as that term is defined by the Regulations of the Fair Political Practices Commission, CONSULTANT shall be required and agrees to file the appropriate financial disclosure documents required by the Palo Alto Municipal Code and the Political Reform Act.

SECTION 22. NONDISCRIMINATION. As set forth in Palo Alto Municipal Code section 2.30.510, CONSULTANT certifies that in the performance of this Agreement, it shall not discriminate in the employment of any person because of the race, skin color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, familial status, weight or height of such person. CONSULTANT acknowledges that it has read and understands the provisions of Section 2.30.510 of the Palo Alto Municipal Code relating to Nondiscrimination Requirements and the penalties for violation thereof, and agrees to meet all requirements of Section 2.30.510 pertaining to nondiscrimination in employment.

SECTION 23. ENVIRONMENTALLY PREFERRED PURCHASING AND ZERO WASTE REQUIREMENTS. CONSULTANT shall comply with the City’s Environmentally Preferred Purchasing policies which are available at the City’s Purchasing Department, incorporated by reference and may be amended from time to time. CONSULTANT shall comply with waste reduction, reuse, recycling and disposal requirements of the City’s Zero Waste Program. Zero Waste best practices include first minimizing and reducing waste; second, reusing waste and third, recycling or composting waste. In particular, Consultant shall comply with the following zero waste requirements:

- All printed materials provided by Consultant to City generated from a personal computer and printer including but not limited to, proposals, quotes, invoices, reports, and public education materials, shall be double-sided and printed on a minimum of 30% or greater post-consumer content paper, unless otherwise approved by the City’s Project Manager. Any submitted materials printed by a professional printing company shall be a minimum of 30% or greater post-consumer material and printed with vegetable based inks.
- Goods purchased by Consultant on behalf of the City shall be purchased in accordance with the City’s Environmental Purchasing Policy including but not limited to Extended Producer Responsibility requirements for products and packaging. A copy of this policy is on file at the Purchasing Office.
- Reusable/returnable pallets shall be taken back by the Consultant, at no additional cost to the City, for reuse or recycling. Consultant shall provide documentation from the facility accepting the pallets to verify that pallets are not being disposed.

SECTION 24. NON-APPROPRIATION

24.1. This Agreement is subject to the fiscal provisions of the Charter of the City of Palo Alto and the Palo Alto Municipal Code. This Agreement will terminate without any penalty (a) at the end of any fiscal year in the event that funds are not appropriated for the following fiscal year, or (b) at any time within a fiscal year in the event that funds are only appropriated for a portion of the fiscal year and funds for this Agreement are no longer available.

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This section shall take precedence in the event of a conflict with any other covenant, term, condition, or provision of this Agreement.

SECTION 25. MISCELLANEOUS PROVISIONS.

25.1. This Agreement will be governed by the laws of the State of California.

25.2. In the event that an action is brought, the parties agree that trial of such action will be vested exclusively in the state courts of California in the County of Santa Clara, State of California.

25.3. The prevailing party in any action brought to enforce the provisions of this Agreement may recover its reasonable costs and attorneys' fees expended in connection with that action. The prevailing party shall be entitled to recover an amount equal to the fair market value of legal services provided by attorneys employed by it as well as any attorneys' fees paid to third parties.

25.4. This document represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations, and contracts, either written or oral. This document may be amended only by a written instrument, which is signed by the parties.

25.5. The covenants, terms, conditions and provisions of this Agreement will apply to, and will bind, the heirs, successors, executors, administrators, assignees, and consultants of the parties.

25.6. If a court of competent jurisdiction finds or rules that any provision of this Agreement or any amendment thereto is void or unenforceable, the unaffected provisions of this Agreement and any amendments thereto will remain in full force and effect.

25.7. All exhibits referred to in this Agreement and any addenda, appendices, attachments, and schedules to this Agreement which, from time to time, may be referred to in any duly executed amendment hereto are by such reference incorporated in this Agreement and will be deemed to be a part of this Agreement.

25.8 If, pursuant to this contract with CONSULTANT, City shares with CONSULTANT personal information as defined in California Civil Code section 1798.81.5(d) about a California resident ("Personal Information"), CONSULTANT shall maintain reasonable and appropriate security procedures to protect that Personal Information, and shall inform City immediately upon learning that there has been a breach in the security of the system or in the security of the Personal Information. CONSULTANT shall not use Personal Information for direct marketing purposes without City's express written consent.

25.9 All unchecked boxes do not apply to this agreement.

25.10 The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

25.11 This Agreement may be signed in multiple counterparts, which shall, when

executed by all the parties, constitute a single binding agreement

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IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Agreement on the date first above written.

CITY OF PALO ALTO

CH2M HILL ENGINEERS, INC.

City Manager

By:

APPROVED AS TO FORM:

Name:

Title:

Senior Asst. City Attorney

Attachments:

- EXHIBIT "A": SCOPE OF WORK
- EXHIBIT "B": SCHEDULE OF PERFORMANCE
- EXHIBIT "C": COMPENSATION
- EXHIBIT "C-1": SCHEDULE OF RATES
- EXHIBIT "D": INSURANCE REQUIREMENTS

**EXHIBIT “A”
SCOPE OF SERVICES**

Palo Alto Regional Water Quality Plant

**Design and Environmental Consulting Services for the
Sludge Dewatering and Loadout Facility**

The Palo Alto Regional Water Quality Control Plant (RWQCP) was originally constructed in 1934 and had undergone several expansions and upgrades throughout the years. The RWQCP is an advanced treatment facility that provides treatment and disposal of wastewater for the Cities of Palo Alto, Mountain View, and Los Altos; the Town of Los Altos Hills; the East Palo Alto Sanitary District; and Stanford University. The RWQCP currently has a designed average dry weather flow (ADWF) capacity of 39 million gallons per day (MGD), and a current average flow of about 20 MGD. The RWQCP effluent is partly discharged to the San Francisco Bay, and partly diverted to the RWQCP recycled water facility for reuse. A Long Range Facilities Plan (LRFP) was prepared in 2012 to provide a road map for the RWQCP’s future. In 2014, a Biosolids Facility Plan (BFP or The Plan) was prepared and approved by the city. The RWQCP seeks professional engineering and design services to assist staff with the implementation of Component 1 of the Plan, which is a new sludge dewatering and truck loadout facility.

BACKGROUND

For more information on solids handling systems, see [Biosolids Facilities Plan](#), [Long Range Facilities Plan](#), and the [Preliminary Design Report](#) for the sludge dewatering and truck load out facility.

SCOPE OF SERVICES

A. GENERAL

The consultant shall size, design, and develop specifications including those for ancillary equipment. Consultant shall prepare bid documents for procurement. Consultant shall prepare for permitting, including city permits and the California Environment Quality Act (CEQA) documentation, for a complete operational sewage sludge dewatering system and load out facility (The Project) at the Palo Alto Regional Water Quality Plant.

The detailed design of this facility shall be informed by the “Preliminary Design” completed by City’s biosolids consultant. The “Preliminary Design” discusses the current and projected

undigested sludge and biosolids production, and description and sizing of the key equipment required for this facility.

Consultant shall perform the design in phases. The design goals and deliverables shall be performed for 30% design, 60% design, and 90% design. At the completion of each phase of design, consultant shall submit the design package and meet with the City staff to review the submittal and discuss comments. The intent of the design review meeting is to solicit and compile comments, address issues, and resolve issues. Design drawings shall be prepared in AutoCAD and PDF, and specifications shall be prepared in Microsoft Word for the use by the City. Provide ten sets of hard copy drawings for City's review at each phase.

B. TASKS

The consultant's scope of work includes, but not necessarily limited to the following:

Task 1: CEQA Documentation

The Consultant shall develop any documentation that is necessary to meet requirements of the CEQA for the project. Staff anticipate the need for an Initial Study/Mitigated Negative Declaration (IS/MND) for the project, at a minimum. The facilities needed for the sludge dewatering and truck loadout facility are similar in nature to the solids handling facilities already constructed onsite at the RWQCP. The sludge dewatering facility has independent utility as a backup sludge dewatering and haul off facility that can be used long-term even if anaerobic digesters are not built; therefore, CEQA is being completed separately for the sludge dewatering and truck loadout facility and the future anaerobic digester facility.

Consultant should evaluate the hauling needed to convey unclassified sludge to an offsite facility for processing and resulting air quality emissions. Air emissions associated with truck traffic will need to be evaluated and need to be less than the CEQA significance threshold to allow adoption of an MND. Emissions are not expected to be substantial. Approximately four truck trips per day are expected. The "Level of Service" standards on Embarcadero Road are not expected to deteriorate to a level that would require an EIR from the four truck trips per day.

Consultant should evaluate potential for construction impacting possible California clapper rail and salt marsh harvest mouse habitat in the adjacent Palo Alto Baylands. There is no clapper rail or salt marsh habitat on the plant site, so the proximity of the Baylands is not anticipated to create a significant impact.

If there are no significant impacts that could not be mitigated, the MND documentation is anticipated as the CEQA document. If an EIR was required, a contract amendment for Council approval would be prepared for the additional work.

Task 2: Design

A complete design package shall be prepared, suitable for issuance to prospective construction contractors. All necessary disciplines shall be provided, including geotechnical, structural, civil,

mechanical, process, architectural, electrical, instrumentation, HVAC, and landscape. The following list includes but not necessarily limited to, components of the design by process area. The consultant shall:

Item 2.1 – Site Work

- Survey and review the existing site conditions. There are multiple underground (UG) utilities such as pipes, electrical conduits, duct banks and structures (e.g., the existing concrete tunnel) at and in the proximity of the site. All available archived drawings of the UG utilities will be provided to the successful consultant.
- The plant has significant geotechnical borings available for the site for use by the consultant and sub consultant. Existing soil data is available for review. If additional borings are required for design, please detail scope and costs in the proposal.
- Verify the FEMA Base Flood Zone Elevation (10.5 feet NAVD 1988) for this site, and prepare equipment installations outside of the flood zone accordingly. All equipment, especially electrical equipment such as the 12kV to 480V step down power transformer, the standby diesel power generator, load bank, and motor control center should be above the Flood Zone Elevation.
- The Plant monument (benchmark) is located at NE corner of the Old Pumping Plant (OPP) concrete slab. The Mean Sea Level Datum (MSLD) of the benchmark is 7.53 feet NAVD 1988 (Re-levelled from 4.68 feet USC&GS 1967).
- Consider vehicle routing to sludge load out, polymer drop-off, generator fuel truck deliveries, etc. in design.
- Pavement and pavement restoration design.
- Forklift access to facility and for polymer deliveries.
- Perimeter walkways and pathways.
- Landscape restoration.

Item 2.2 – Building:

- The Consultant shall design an enclosed reinforced concrete structure to house the entire sludge dewatering system, scum concentrator, and the truck load out facility.
- It is anticipated that the electrical power transformer (step down from utility power), the standby power generator, and load bank would be on a concrete pad outside the building.
- The construction site falls in City's PF (D) zone, public facility with a combining site and design review, which imposes certain height restrictions on the new construction. Per the Palo Alto Municipal Code, the height limit is 50' above grade level. Consultant shall review the City's zoning requirements for the design of the building.
- Consultant shall follow the City's [*Baylands Nature Preserve Site Assessment and Design Guidelines*](#).
- The building shall meet all applicable local and state building code requirements.
- The truck loading facility shall be able to accommodate various types and sizes of commercial hauling trucks.
- Design for building components that mitigate against potential problems created by animals commonly found in and around WQCP, including pigeons, swallows, bats, rats, foxes, skunks, and ground squirrels
- Building design shall meet City's noise [ordinances](#).

Item 2.3 – Sludge Dewatering, Transport, and Loading Equipment

- The system shall include necessary pumps, glass lined piping, valving, and fittings for the movement of sludge. The system shall include polymer receiving, mixing, and pumping equipment.
- The system shall include sludge feed piping, metering, and mixing with polymer equipment.
- The system shall include belt filter presses (BFP). Refer the preliminary design report for guidance on the type, size and capacity of the BFPs.
- Sludge silo design shall have necessary corrosion protection.
- The system shall include shafted and/or shaftless screw conveyors for movement of sludge cake. The system shall include sludge storage, weighing, and truck loading systems.
- The truck loading equipment and the facility should be able to accommodate various types and sizes of commercial hauling trucks.

Item 2.4 – Scum Pumping, Piping, Concentrator

- The system shall include scum piping, scum concentrator, scum storage, scum loading, and scum off-haul facilities. The system shall include necessary heat tracing and housekeeping requirements.

Item 2.5 – Odor Control and Ventilations Systems

- The system shall include necessary HVAC, odor control, and other ventilation systems.

Item 2.6 – Power Distribution

The system shall include 12kV tie-in to existing 12kV loop system at a pad mounted switch near the proposed facility site. The system shall include new 12kV feeders to a new 12kV / 480V step down transformer. The system shall include a new load bank and standby diesel generator with automatic transfer switch (ATS). The system shall include a motor control center to distribute power to individual loads such as motors, panels, lighting, etc.

1. Consultant shall evaluate and conduct an electrical load study of the electrical power requirements of the new Sludge Dewatering and Load Out facility.
2. Evaluate and recommend optimum size and type of the new standby generator for this service load, based on the load study.

Item 2.7 – Controls, Instrumentation, Networking, and SCADA

The new system shall be designed around industry standard control instrumentation, signaling, and control systems. The system shall integrate with Plant's standardized Allen-Bradley PLCs (ControlLogix 5000) and SCADA system (GE iFix 5.8). Networking shall be provided to plant SCADA via fiber optic.

Item 2.8 – Spare parts storage and hoisting

The new facility shall have space set aside for spare parts storage including 2-meter belt filter press rollers and roller belts, spare conveyor liners, spare conveyor motors, and so forth. New

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storage shall be in a locked facility (e.g., cage unit) and accessible for movement to the related equipment. Hoisting equipment shall be provided for polymer bags, belt filter press rollers, belts, and so forth.

Task 3 – Permits and Regulations

Design shall comply with Palo Alto Municipal Code, state and federal regulations, CalOSHA requirements, and so forth. Details are listed below.

Bay Area Air Quality Management District (BAAQMD)

Permits and approvals are required. Consultant shall evaluate, prepare, and submit forms to obtain an authority to construct (ATC) for new standby diesel generator as well as odor control facilities. City staff will coordinate removal of incinerator and afterburner sources under the permit after startup of the sludge dewatering facility. Generator engine shall comply with Regulation 9 Rule 8. Odor control facilities shall be consistent with Regulation 7 for Odor Control and Regulation 1.301 Public Nuisance rules. Note that the plant has not received significant odor complaints in the past; no BAAQMD inspections have been required. The new facilities shall be designed sufficiently to reduce odors and odors from the existing sludge blend tank shall be brought into the new odor control systems so that the sewage sludge incinerator system can be retired as the odor control treatment method for the existing sludge blend tank.

Regional Water Quality Control Board (RWQCB)

Plant staff will handle coordination with RWQCB staff for the new facility. Plant staff will coordinate new USEPA 503 sludge regulation requirements and USEPA biosolids monitoring and reporting requirements. Consultant shall provide technical support, as necessary, as it relates to the new facility.

Palo Alto Planning Department approvals with PTC/ARB/PACC: Permits and approvals are required. Specifically, the design shall comply with the zoning requirements in zone PF (D). PF is a public facilities district zone (see [PAMC Chapter 18.28](#)); the (D) is a site and design combining district, which adds additional reviews due to significant changes (See [PAMC Chapter 18.30\(G\)](#)). Comply with noise ordinance at [PAMC Chapter 9.10](#) and Palo Alto [Comprehensive Plan Goal N-8](#), regarding noise. Conduct a noise study, as necessary to comply with PAMC and Comprehensive Plan goal. Setbacks are 20-foot from property line and 50-foot height limits. RWQCP will pay Planning Department fees.

Planning and Transportation Commission (PTC): Assume one public meeting for approval at PTC prior to meetings with the ARB.

Architectural Review Board (ARB): The ARB requirements shall comply with a major design review. The preparation requirements are significant and consultant shall adequately cover the costs and time to prepare for this approval. Specific requirements can be found at Planning Department website at <http://www.cityofpaloalto.org/civicax/filebank/documents/6473>. The consultant shall employ necessary staffing to complete all of the ARB requirements and assume one study session, and up to three follow-up public hearings will be required to gain approval from

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the ARB. The consultant shall be required to attend two meetings with Planning staff prior to the ARB study session, one Planning and Transportation Committee (PTC) meeting, any of the needed three ARB public hearings, and the final Palo Alto City Council approval meeting of the project to answer questions regarding the project.

Palo Alto City Council (PACC): Assume one public meeting at PACC for project approval.

Tree Removal

Trees that must be removed at any proposed site must be detailed on a landscape drawing and a permit obtained prior to removal.

Palo Alto Fire Department (PAFD): Permits and approvals are required. Consultant shall determine requirements for hazardous materials (e.g., diesel fuel in double contained standby generator base tank) and fire protection (e.g., fire hydrants, fire sprinklers, fire extinguishers, fire alarm, etc.). Design shall comply with PAFD requirements. Consultant shall evaluate and prepare a hazardous materials disclosure checklist and prepare the hazardous materials permit. Assume meetings with PAFD. Assume meetings with City Utilities Department water group on fire suppression water coordination

Public Works Engineering Requirements

Flood zone: Consultant's design shall comply with AE (10.5) flood zone. Design shall provide flood proofing of the new equipment and installation. Basic information is below. Elevation certification will be provided during construction.

2501 Embarcadero Way

Flood zone: **AE10.5 (NAVD88)**

Panel: 0030H

Storm water: All storm water shall be diverted back to plant headworks. No other storm water permitting will be required.

Task 4: Services During Bidding (SDB)

- Consultant shall assist the City in preparation of construction bid package/s (IFBs).
- Consultant shall respond to the requests for clarification and/or information from prospective bidders.
- Consultant shall assist the City with preparation of IFB addenda and furnish the originals required for said addenda.
- Consultant shall attend and assist the City at the pre-bid conferences and the job walk.

Task 5: Services During Construction (SDC)

- Consultant shall review submittals from the contractor for conformance with the

Contract Documents. The Consultant shall review and return the submittal comments to the City within seven calendar days.

- Consultant shall prepare written response to the Request for Information (RFI) submitted by the contractor. The Consultant shall review, comment and return the RFI responses within seven calendar days.
- Consultant shall review and validate the Contract Change Order requests submitted by contractor for accuracy and correctness, as requested by the City.
- As requested, the Consultant shall attend periodic Project Progress Meetings with the Contractor. Please allow for one meeting per month, at the minimum, during the construction phase.
- At the completion of the construction, the consultant shall assist the City in identifying any deficiencies or non-compliance of the project documents by participating in walk through and creating a “punch list”.
- The Consultant shall provide the technical support to the City during start up and commissioning of the new dewatering and load out equipment. The Consultant shall work with Contractor and equipment manufacturer’s representatives, as requested by the City.
- The Consultant shall assist the City in monitoring, documenting and/or validating any testing required by the permitting agencies.

Task 6 – Record Drawings and O&M Manuals

- The Consultant shall periodically review the “as-built” or “red line” drawings and documents maintained by the contractor during construction. Upon construction completion, the Consultant shall prepare record drawings per contractor furnished “red lined” or “as-built” drawings. The record drawings shall consist of annotated contract drawings and electronic files showing changes in design and construction.
- The consultant shall provide one full size, one half size (11”x17”) sets and electronic copies of the record drawings. The electronic copies shall be, one in AutoCAD 3D Civil 2010 and other in PDF format.
- The construction contractor will be responsible for submitting the O&M Manuals. The consultant shall review contractor furnished O&M Manuals for completeness and to ensure that all appropriate information is included in the manuals for use by the Plant staff.

Task 7 – Project Management

Provide a competent project lead to direct, organize and coordinate, and consolidate the design team efforts to meet project goals and objectives. The project lead will supervise and provide direction to the team members as well as to the sub-consultants.

The project management task includes but necessarily limited to:

- Prepare and distribute a project management plan to include schedule, budget, roles, contacts and procedures.

- Prepare monthly progress report for submission to the City. At the least the report shall include the progress by each task down to the sub-tasks, the budget status, outstanding issues, potential changes, and schedule impacts.
- Prepare, maintain, and update project schedule for City's review and comments on, at the least monthly basis.
- Coordinate twice monthly project coordination/progress meetings with City staff. Prepare and distribute Meeting Minutes.
- Conduct internal team meetings to review progress, coordinate evaluations, and identify information needs.
- Monitor project budget for effort versus progress and keep the City informed of the status. Identify and mitigate potential overruns.
- Manage sub-consultants.
- Manage QA / QC team.

END OF SCOPE OF WORK

**EXHIBIT “B”
SCHEDULE OF PERFORMANCE**

CONSULTANT shall perform the Services so as to complete each milestone within the number of days/weeks specified below. The time to complete each milestone may be increased or decreased by mutual written agreement of the project managers for CONSULTANT and CITY so long as all work is completed within the term of the Agreement. CONSULTANT shall provide a detailed schedule of work consistent with the schedule below within 2 weeks of receipt of the notice to proceed.

Milestones	Completion No. of Weeks From NTP
1. Task 1 CEQA Documentation	18
2. Task 2 Design	56
3. Task 3 Permits and Regulations	56
4. Task 4 Services During Bidding	65
5. Task 5 Services During Construction	TBD
6. Task 6 Record Drawings and O&M Manuals	TBD
7. Task 7 Project Management	On Going

**EXHIBIT “C”
COMPENSATION**

The CITY agrees to compensate the CONSULTANT for professional services performed in accordance with the terms and conditions of this Agreement, and as set forth in the budget schedule below. Compensation shall be calculated based on the hourly rate schedule attached as exhibit C-1 up to the not to exceed budget amount for each task set forth below.

The compensation to be paid to CONSULTANT under this Agreement for all services described in Exhibit “A” (“Basic Services”) and reimbursable expenses shall not exceed \$2,092,019. CONSULTANT agrees to complete all Basic Services, including reimbursable expenses, within this amount. In the event CITY authorizes any Additional Services, the maximum compensation shall not exceed \$2,301,221. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to the CITY.

CONSULTANT shall perform the tasks and categories of work as outlined and budgeted below. The CITY’s Project Manager may approve in writing the transfer of budget amounts between any of the tasks or categories listed below provided the total compensation for Basic Services, including reimbursable expenses, does not exceed \$2,092,019 and the total compensation for Additional Services does not exceed \$209,202.

BUDGET SCHEDULE	NOT TO EXCEED AMOUNT
Task 1 (CEQA Documentation)	\$74,801
Task 2 (Design)	\$1,203,285
Task 3 (Permits and Regulations)	\$93,693
Task 4 (Services During Bidding)	\$36,896
Task 5 (Services During Construction)	\$454,172
Task 6 (Record Drawings and O&M Manuals)	\$53,686
Task 7 (Project Management)	\$141,086

Sub-total Basic Services	\$2,057,619
Reimbursable Expenses	\$36,400
Total Basic Services and Reimbursable expenses	\$2,092,019
Additional Services (Not to Exceed)	\$209,202
Maximum Total Compensation	\$2,301,221

REIMBURSABLE EXPENSES

The administrative, overhead, secretarial time or secretarial overtime, word processing, photocopying, in-house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. CITY shall reimburse CONSULTANT for the following reimbursable expenses at cost. Expenses for which CONSULTANT shall be reimbursed are:

A. Travel outside or to the San Francisco Bay area, including transportation and meals, will be reimbursed at actual cost subject to the City of Palo Alto’s policy for reimbursement of travel and meal expenses for City of Palo Alto employees.

B. Long distance telephone service charges, cellular phone service charges, facsimile transmission and postage charges are reimbursable at actual cost.

All requests for payment of expenses shall be accompanied by appropriate backup information. Any expense anticipated to be more than \$1,000 shall be approved in advance by the CITY’s project manager.

ADDITIONAL SERVICES

The CONSULTANT shall provide additional services only by advanced, written authorization from the CITY. The CONSULTANT, at the CITY’s project manager’s request, shall submit a detailed written proposal including a description of the scope of services, schedule, level of effort, and CONSULTANT’s proposed maximum compensation, including reimbursable expense, for such services based on the rates set forth in Exhibit C-1. The additional services scope, schedule and maximum compensation shall be negotiated and agreed to in writing by the CITY’s Project Manager and CONSULTANT prior to commencement of the services. Payment for additional services is subject to all requirements and restrictions in this Agreement

Work required because the following conditions are not satisfied or are exceeded shall be considered as additional services:

- a. Design additional air compressor in the new facility to replace the 30 hp air compressor currently located in the incinerator building; or, alternatively, design replacement of three existing air compressors around the plant;
- b. Provide design for new compressed air storage facility somewhere at plant;
- c. Assist the City with any additional work related to dewatering and haul off facility;

**EXHIBIT “C-1”
HOURLY RATE SCHEDULE**

See attached CH2M HILL rate schedule.

**EXHIBIT “D”
INSURANCE REQUIREMENTS**

CONTRACTORS TO THE CITY OF PALO ALTO (CITY), AT THEIR SOLE EXPENSE, SHALL FOR THE TERM OF THE CONTRACT OBTAIN AND MAINTAIN INSURANCE IN THE AMOUNTS FOR THE COVERAGE SPECIFIED BELOW, **AFFORDED BY COMPANIES WITH AM BEST’S KEY RATING OF A-:VII, OR HIGHER, LICENSED OR AUTHORIZED TO TRANSACT INSURANCE BUSINESS IN THE STATE OF CALIFORNIA.**

AWARD IS CONTINGENT ON COMPLIANCE WITH CITY’S INSURANCE REQUIREMENTS, AS SPECIFIED, BELOW:

REQUIRED	TYPE OF COVERAGE	REQUIREMENT	MINIMUM LIMITS	
			EACH OCCURRENCE	AGGREGATE
YES YES	WORKER’S COMPENSATION EMPLOYER’S LIABILITY	STATUTORY STATUTORY		
YES	GENERAL LIABILITY, INCLUDING PERSONAL INJURY, BROAD FORM PROPERTY DAMAGE BLANKET CONTRACTUAL, AND FIRE LEGAL LIABILITY	BODILY INJURY	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY & PROPERTY DAMAGE COMBINED.	\$1,000,000	\$1,000,000
YES	AUTOMOBILE LIABILITY, INCLUDING ALL OWNED, HIRED, NON-OWNED	BODILY INJURY	\$1,000,000	\$1,000,000
		- EACH PERSON	\$1,000,000	\$1,000,000
		- EACH OCCURRENCE	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY AND PROPERTY DAMAGE, COMBINED	\$1,000,000	\$1,000,000
YES	PROFESSIONAL LIABILITY, INCLUDING, ERRORS AND OMISSIONS, MALPRACTICE (WHEN APPLICABLE), AND NEGLIGENT PERFORMANCE			
		ALL DAMAGES		\$1,000,000
YES	THE CITY OF PALO ALTO IS TO BE NAMED AS AN ADDITIONAL INSURED: CONTRACTOR, AT ITS SOLE COST AND EXPENSE, SHALL OBTAIN AND MAINTAIN, IN FULL FORCE AND EFFECT THROUGHOUT THE ENTIRE TERM OF ANY RESULTANT AGREEMENT, THE INSURANCE COVERAGE HEREIN DESCRIBED, INSURING NOT ONLY CONTRACTOR AND ITS SUBCONSULTANTS, IF ANY, BUT ALSO, WITH THE EXCEPTION OF WORKERS’ COMPENSATION, EMPLOYER’S LIABILITY AND PROFESSIONAL INSURANCE, NAMING AS ADDITIONAL INSURED CITY, ITS COUNCIL MEMBERS, OFFICERS, AGENTS, AND EMPLOYEES.			

I. INSURANCE COVERAGE MUST INCLUDE:

- A. A PROVISION FOR A WRITTEN THIRTY (30) DAY ADVANCE NOTICE TO CITY OF CHANGE IN COVERAGE OR OF COVERAGE CANCELLATION; AND
- B. A CONTRACTUAL LIABILITY ENDORSEMENT PROVIDING INSURANCE COVERAGE FOR CONTRACTOR’S AGREEMENT TO INDEMNIFY CITY.
- C. DEDUCTIBLE AMOUNTS IN EXCESS OF \$5,000 REQUIRE CITY’S PRIOR APPROVAL. CITY APPROVES CH2M HILL’S PROFESSIONAL LIABILITY DEDUCTIBLE OF \$750,000 AND COMMERCIAL GENERAL LIABILITY DEDUCTIBLE OF \$500,000, WHICH EXCEED THE CITY’S STANDARD \$5,000 DEDUCTIBLE REQUIREMENT.

II. CONTACTOR MUST SUBMIT CERTIFICATES(S) OF INSURANCE EVIDENCING REQUIRED COVERAGE.

III. ENDORSEMENT PROVISIONS, WITH RESPECT TO THE INSURANCE AFFORDED TO “ADDITIONAL INSURED’S”

A. PRIMARY COVERAGE

WITH RESPECT TO CLAIMS ARISING OUT OF THE OPERATIONS OF THE NAMED INSURED, INSURANCE AS AFFORDED BY THIS POLICY IS PRIMARY AND IS NOT ADDITIONAL TO OR CONTRIBUTING WITH ANY OTHER INSURANCE CARRIED BY OR FOR THE BENEFIT OF THE ADDITIONAL INSURED’S.

B. CROSS LIABILITY

THE NAMING OF MORE THAN ONE PERSON, FIRM, OR CORPORATION AS INSURED UNDER THE POLICY SHALL NOT, FOR THAT REASON ALONE, EXTINGUISH ANY RIGHTS OF THE INSURED AGAINST ANOTHER, BUT THIS ENDORSEMENT, AND THE NAMING OF MULTIPLE INSURED, SHALL NOT INCREASE THE TOTAL LIABILITY OF THE COMPANY UNDER THIS POLICY.

C. NOTICE OF CANCELLATION

1. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR ANY REASON OTHER THAN THE NON-PAYMENT OF PREMIUM, THE CONSULTANT SHALL PROVIDE CITY AT LEAST A THIRTY (30) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.
2. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR THE NON-PAYMENT OF PREMIUM, THE CONSULTANT SHALL PROVIDE CITY AT LEAST A TEN (10) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.

NOTICES SHALL BE EMAILED OR MAILED TO:

EMAIL: InsuranceCerts@CityofPaloAlto.org

**PURCHASING AND CONTRACT
ADMINISTRATION
CITY OF PALO ALTO
P.O. BOX 10250
PALO ALTO, CA 94303.**

**Sludge Dewatering and Loadout Facility
Palo Alto Regional Water Quality Control Plant
Hourly Rate Sheet**

CLASSIFICATION

2014/2015
HOURLY BILL
RATE*



CH2MHILL

Project Manager/Principal Technologist	\$250
Sr. Technologist/Design Manager/Assistant Project Manager	\$225
Technologist	\$205
Sr. Engineer/Planning/Scientist	\$180
Associate Engineer/Planner/Scientist	\$150
Staff Engineer/Planner/Scientist	\$125
Project Engineer/Planner/Scientist	\$105
QA/QC	\$268
Engineering Technician	\$85
CADD Lead	\$125
CADD Technician	\$100
Documentation Production Specialist	\$90
Office Support	\$75
Project Delivery Assistant	\$90



mwa architects

Principal In Charge (PIC): Michael Willis	\$225
Project Manager (PM): Greg Robley	\$150
Project Architect (PA): Claudette Bleijenberg	\$130
QA/QC: Jean Von Bargaen	\$120
Tech 1	\$95



SIEGFRIED

Principal-in-Charge	\$210
Survey Director	\$168
Landscape Architect	\$147
Landscape Designer II	\$126
Senior Technician	\$118
Technician III	\$105
Technician II	\$91
Clerical	\$66
1 Person Survey Crew	\$168

The individual hourly rates include salary, overhead and profit.

*Annual escalation for years 2015 and 2016 shall be at 3% per year.

Subconsultants will be billed at actual cost plus 5% markup.

Other direct costs (ODCs) such as reproduction, delivery, mileage (rates will be those allowed by current IRS guidelines), and travel expenses, will be billed at actual cost plus 10%.

No additional factors or fees are billed above these hourly rates.

Attachment B
Ordinance No. XXXX

ORDINANCE OF THE COUNCIL OF THE CITY OF PALO ALTO AMENDING THE BUDGET FOR THE FISCAL YEAR 2015 IN THE WASTEWATER TREATMENT FUND, REDUCING THE PLANT EQUIPMENT REPLACEMENTS PROJECT (WQ-80021) BY \$1,942,651 AND INCREASING THE BIOSOLIDS FACILITY PROJECT (WQ-14001) BY \$1,942,651, RESULTING IN NO IMPACT TO THE RESERVE LEVEL IN THE WASTEWATER TREATMENT FUND.

The Council of the City of Palo Alto does ORDAIN as follows:

SECTION 1. The Council of the City of Palo Alto finds and determines as follows:

A. Pursuant to the provisions of Section 12 of Article III of the Charter of the City of Palo Alto, the Council on June 16, 2014 did adopt a budget for Fiscal Year 2015; and

B. The City of Palo Alto is one of only two wastewater plants in California operating sewage sludge incinerators, and plans to retire the incinerators in 2019; and

C. On January 24, 2013 the City Council approved the development of a Biosolids Facility Plan, and on May 12, 2014 the City Council approved an Organics Facility Plan; and

D. The City Council directed staff to initiate design of Component One of the Organics Facility Plan on May 12, 2014, which is a sludge dewatering truck load facility, which will allow for sealed truck hauling of dewatered sewage sludge cake to regional facilities for final treatment; and

E. Funding adjustments included in this Budget Amendment Ordinance will allow for design and environmental consulting services for the sludge dewatering truckload facility.

SECTION 2. The sum of One Million Nine Hundred Forty Two Thousand, Six Hundred and Fifty One Dollars (\$1,942,651) is hereby reduced from the Plant Equipment Replacements project (WQ-80021) and the Biosolids Facility project (WQ-14001) is hereby increased by a corresponding amount, resulting in no net impact on reserves in the Wastewater Treatment Fund.

SECTION 3. As provided in Section 2.04.330 of the Palo Alto Municipal Code, this ordinance shall become effective upon adoption.

SECTION 4. The Council of the City of Palo Alto hereby finds that this is not a project under the California Environmental Quality Act and, therefore, no environmental impact assessment is necessary.

//

INTRODUCED AND PASSED: Enter Date Here

AYES:

NOES:

ABSENT:

ABSTENTIONS:

NOT PARTICIPATING:

ATTEST:

City Clerk

APPROVED AS TO FORM:

Senior Assistant City Attorney

Mayor

APPROVED:

City Manager

Director of Administrative Services

Director of Public Works