City Council Staff Report

Report Type: Consent Calendar  Meeting Date: 2/10/2020

Summary Title: On-Call Inspection Services Contract

Title: Approval of two Professional Services Agreements for On-call Construction Inspection Services for Water, Gas, Wastewater Collection, and Electric Utility Capital Improvement Projects with: 1) 4Leaf, Inc. (C20176888A) for a Not-to-Exceed Amount of $2,000,000, and 2) Park Engineering, Inc. (C20176888B) for a Not-to-Exceed Amount of $1,000,000, for a Total Not-to-Exceed Amount of $3,000,000 for up to Five Years

From: City Manager

Lead Department: Utilities

Recommendation
Staff recommends that Council approve and authorize the City Manager or designee to execute the two attached professional services agreements: 1) with 4Leaf, Inc. (Attachment A), for a not-to-exceed amount of $2,000,000, and 2) with Park Engineering, Inc. (Attachment B), for a not-to-exceed amount of $1,000,000; each for a five (5) year term, for a total not-to-exceed amount of $3,000,000 for professional on-call construction inspection services for Water, Gas, Wastewater, and Electrical Improvement Projects through 2025.

Background
The City of Palo Alto owns, operates, and maintains its water, natural gas, and electrical distribution systems, and its wastewater collection system. Continued improvements to each utility through capital improvement projects ensure the continued reliability and resiliency of each system while enhancing operational safety.

Each utility capital improvement project requires the use of construction inspection services to ensure the work is completed in accordance with Federal, State, and Municipal requirements, record drawings of the utility improvements to update the City’s Geographic Information System (GIS) are created and, collaboration with Utility project managers is achieved in order to ensure the successful delivery of projects.

The development of record drawings of utility improvements is crucial to the construction of future projects, as the collected information will be used for future designs, and by the City’s
Underground Service Alert to identify City-owned utilities to mitigate excavation damage during construction activities while maintaining safety in the area.

Utility capital improvement projects are traditionally inspected by City staff. However, at times the Utilities Department sees an increase in project workload, such that City staff resources are not enough to cover all inspection requirements. For example, the current and upcoming project workload includes Gas Service Replacement Project FY19, Cross Bore Verification Program Phase II FY 2020 – FY 2021, Sanitary Sewer Rehabilitation Project 28B, Sanitary Sewer Rehabilitation Project 29, Water Main Replacement Project 27, Gas Main Replacement Project 23, Water Reservoir Storage Tank Upgrade and Rebuild Projects, Colorado Power Station Equipment Upgrade Capital Project, Installation of Advanced Metering Infrastructure Upgrades, and miscellaneous private development projects that involve the installation of utilities in the City’s right-of-way. These projects may require additional inspectors or inspectors with specific expertise, such as in water storage tanks.

The availability of on-call inspection services will allow the Utilities Department flexibility to add resources to efficiently manage workload, uphold a high level of service, and utilize expertise on complex projects.

**Discussion**

In August 2016, City Council approved a contract for On-Call Inspection Services (Council Report ID # 6989). That contract is set to expire by the end of February 2020.

To maintain the availability of on-call inspectors, the City issued a Request for Proposals (RFP #176888) on October 7, 2019, seeking inspection services for water, natural gas, wastewater, and electrical capital improvement projects.

A total of 1,921 vendors were notified in the City’s electronic procurement system, PlanetBids. At the end of the advertisement period, the City received four proposals. One of the proposals received by Energy Experts International was deemed non-responsive under Palo Alto Municipal Code Section 2.30.440 (3)(b), because the submitted proposal was missing required documentation.

After reviewing and discussing the proposals, staff determined that 4Leaf, Inc., and Park Engineering, Inc. have the expertise and experience necessary to perform the work. Moving forward with agreements with both companies will allow a smooth transition from the current on-call inspection contract that is set to expire at the end of February 2020.

Staff checked references supplied by the contractors for previous work performed and found all to be satisfactory.
Summary of Solicitation Process:

<table>
<thead>
<tr>
<th>Proposal Title</th>
<th>On-Call Construction Inspection Services for Utilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposal Number</td>
<td>176888</td>
</tr>
<tr>
<td>Proposed Length of Project</td>
<td>5 Years</td>
</tr>
<tr>
<td>Number of Notices sent to Vendors via City’s eProcurement System (PlanetBids)</td>
<td>1,921</td>
</tr>
<tr>
<td>Number of RFP Packages Downloaded by Firms</td>
<td>22</td>
</tr>
<tr>
<td>Total Days to Respond to Proposal</td>
<td>30 Calendar Days</td>
</tr>
<tr>
<td>Pre-Proposal Teleconference</td>
<td>October 16, 2019</td>
</tr>
<tr>
<td>Number of Company Attendees at Pre-proposal Meeting</td>
<td>5</td>
</tr>
<tr>
<td>Number of Proposals Received</td>
<td>4</td>
</tr>
<tr>
<td>Range of Cost Proposals</td>
<td>From $52.08 / hour to $147.00 / hour</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Location (City, State)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park Engineering, Inc.</td>
<td>372 Village Square, Orinda, CA 94563</td>
</tr>
<tr>
<td>Apex Testing</td>
<td>1790 Yosemite Avenue, San Francisco, CA 94124</td>
</tr>
<tr>
<td>4Leaf, Inc.</td>
<td>2126 Rheem Drive, Pleasanton, CA 94588</td>
</tr>
<tr>
<td>Energy Experts International</td>
<td>555 Twin Dolphin Drive, Suite 150, Redwood City, California 94065</td>
</tr>
</tbody>
</table>

The staff rates received were between $52.08 per hour to $147.00 per hour. These rates are consistent with the rates received for the past agreement established in 2016 which were between $75 per hour and $137 per hour. The slightly higher rates can be attributed to inflation.

Resource Impact
No resource impact is anticipated at this time. Funding for this contract will be used as needed and is subject to the annual appropriation of applicable project funds.

Policy Implications
The approval of this professional services agreement is consistent with existing City goals, policies and plans including:

Utilities Strategic Plan
Priority 1: Workforce
   Strategy 3: Evaluate and consider alternative workforce solutions to achieve organizational business objectives:
**Action 2**: Determine the potential for projects and/or functions to be effectively outsourced while continuing to meet organizational needs and objectives.

**Action 3**: Consider developing a hybrid workforce of full-time employees and non-benefitted staff.

**Stakeholder Engagement**

With the current On-Call Inspection services expiration contract expiring in February 2020, the Utilities Divisions of Water, Gas, Wastewater and Electric discussed establishing a new agreement. It was agreed among the Utilities Divisions that the availability of on-call staffing resources would be crucial to meet increases in project workload.

The selection criteria were agreed upon after several internal meetings and provided to the Purchasing Department. An evaluation panel was established to select firms who were best suited for the agreement. The received proposals were assessed by the panel and the results were discussed internally prior to moving forward with the recommendation to award agreements to multiple firms. Each of the Utilities Divisions concurred with the outcome of the panel’s evaluation.

No additional outreach was necessary.

**Environmental Review**

The Council’s approval of these construction inspection services contracts does not meet the definition of a project under Public Resources Code Sec. 21065, so California Environmental Quality Act (“CEQA”) review is not required. According to CEQA Guidelines Sec. 15378, a project does not include organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment. In the alternative, approval of the attached contracts is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15309 (Inspections).

**Attachments**:
- Attachment A: C20176888A With 4Leaf
- Attachment B: C20176888B With Park Engineering
CITY OF PALO ALTO CONTRACT NO. C20176888A

AGREEMENT BETWEEN THE CITY OF PALO ALTO AND 4LEAF, INC.

FOR PROFESSIONAL SERVICES

This Agreement is entered into on this 10th day of December, 2019, (“Agreement”) by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and 4LEAF, INC., a California Corporation, located at 2126 Rheem Drive, Pleasanton CA 94588 (“CONSULTANT”).

RECITALS

The following recitals are a substantive portion of this Agreement.

A. CITY intends to solicit on-call inspection services for electrical, water, gas and wastewater (“Project”) and desires to engage a consultant to provide services 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 at 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 CITY, as needed, with a Task Order assigned and approved by 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 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 February 28, 2025 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” (“Basic Services”), and reimbursable expenses, shall not exceed Two Million Dollars ($2,000,000). CONSULTANT agrees to complete all Basic Services, including reimbursable expenses, within this amount. The applicable rates and schedule of payment are set out at Exhibit “C-1”, entitled “HOURLY RATE SCHEDULE,” which is attached to and made a part of this Agreement. 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.

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 at 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 is solely responsible for costs, including, but not limited to, increases in the cost of Services, arising from or caused by CONSULTANT’s errors and omissions, including, but not limited to, the costs of corrections such errors and omissions, any change order markup costs, or costs arising from delay caused by the errors and omissions or unreasonable delay in correcting the errors and omissions.

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 CITY’s stated construction budget, CONSULTANT shall make recommendations to 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 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:
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 Tricia Baxter as the Project Manager to have supervisory responsibility for the performance, progress, and execution of the Services and 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.

CITY’s project manager is Aaron Perkins, Utilities Department, 1007 Elwell Court, Palo Alto, CA 94304, Telephone: (650) 566-4521. The project manager will be CONSULTANT’s point of contact with respect to performance, progress and execution of the Services. 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.

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 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 Chief Procurement Officer 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 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 Gene Barry, P.E., Vice President 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 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 due to that person’s race, skin color, gender, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, pregnancy, genetic information or condition, 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 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 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:

(a) 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 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.

(b) Goods purchased by CONSULTANT on behalf of CITY shall be purchased in
accordance with 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 Division’s office.

(c) Reusable/returnable pallets shall be taken back by CONSULTANT, at no additional cost to 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. COMPLIANCE WITH PALO ALTO MINIMUM WAGE ORDINANCE.
CONSULTANT shall comply with all requirements of the Palo Alto Municipal Code Chapter 4.62 (Citywide Minimum Wage), as it may be amended from time to time. In particular, for any employee otherwise entitled to the State minimum wage, who performs at least two (2) hours of work in a calendar week within the geographic boundaries of the City, CONSULTANT shall pay such employees no less than the minimum wage set forth in Palo Alto Municipal Code section 4.62.030 for each hour worked within the geographic boundaries of the City of Palo Alto. In addition, CONSULTANT shall post notices regarding the Palo Alto Minimum Wage Ordinance in accordance with Palo Alto Municipal Code section 4.62.060.

SECTION 25. NON-APPROPRIATION

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

SECTION 26. PREVAILING WAGES AND DIR REGISTRATION FOR PUBLIC WORKS CONTRACTS

☐ 26.1. This Project is not subject to prevailing wages. CONSULTANT is not required to pay prevailing wages in the performance and implementation of the Project in accordance with SB 7 if the contract is not a public works contract, if the contract does not include a public works construction project of more than $25,000, or the contract does not include a public works alteration, demolition, repair, or maintenance (collectively, ‘improvement’) project of more than $15,000.

OR

☒ 26.1. CONSULTANT is required to pay general prevailing wages as defined in Subchapter 3, Title 8 of the California Code of Regulations and Section 16000 et seq. and Section 1773.1 of the California Labor Code. Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the City Council has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in this locality for each craft, classification, or type of worker needed to execute the contract for this Project from the Director of the Department of Industrial Relations (“DIR”). Copies of these rates may be obtained at the
Purchasing Division’s office of the City of Palo Alto. CONSULTANT shall provide a copy of prevailing wage rates to any staff or subcontractor hired, and shall pay the adopted prevailing wage rates as a minimum. CONSULTANT shall comply with the provisions of all sections, including, but not limited to, Sections 1775, 1776, 1777.5, 1782, 1810, and 1813, of the Labor Code pertaining to prevailing wages.

26.2. CONSULTANT shall comply with the requirements of Exhibit “E” for any contract for public works construction, alteration, demolition, repair or maintenance.

SECTION 27. MISCELLANEOUS PROVISIONS.

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

27.2. 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.

27.3. 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.

27.4. 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.

27.5. 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.

27.6. 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.

27.7. 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.

27.8. In the event of a conflict between the terms of this Agreement and the exhibits hereto or CONSULTANT’s proposal (if any), the Agreement shall control. In the case of any conflict between the exhibits hereto and CONSULTANT’s proposal, the exhibits shall control.

27.9. 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.

27.10. All unchecked boxes do not apply to this Agreement.

27.11. 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.

27.12. This Agreement may be signed in multiple counterparts, which shall, when executed by all the parties, constitute a single binding agreement.
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

____________________________
City Manager

4LEAF, INC.

Officer 1

By: Gene Barry
Name: Gene Barry, PE
Title: Vice President

Officer 2

By: Kevin Duggan
Name: Kevin Duggan
Title: Secretary

APPROVED AS TO FORM:

____________________________
City Attorney or designee

Attachments:
EXHIBIT “A”: SCOPE OF SERVICES
EXHIBIT “A-1”: PROFESSIONAL SERVICES TASK ORDER (for on-call contracts only)
EXHIBIT “B”: SCHEDULE OF PERFORMANCE
EXHIBIT “C”: COMPENSATION
EXHIBIT “C-1”: SCHEDULE OF RATES
EXHIBIT “D”: INSURANCE REQUIREMENTS
EXHIBIT “E”: DIR REGISTRATION FOR PUBLIC WORKS CONTRACTS
EXHIBIT “A”
SCOPE OF SERVICES

I. Overview

Consultant shall provide professional services for field inspection of City’s capital improvement projects and/or private development projects. Projects will involve overhead/underground electrical, fiber optic, water, gas, or wastewater utilities. General duties may include, but are not limited to the following oversight of utility infrastructure installation by various methods per design drawings, specifications and utility standards; construction management; project or schedule coordination; compliance to safety requirements and approved traffic control plans; communication with City staff, contractor, customers, and the public; preparation of record drawings, construction daily reports, and other pertinent documents. The consultant shall provide personnel with a strong background and experience in electric, fiber optic, water, gas, or wastewater construction practices and standards, which will be dependent on the assigned utility and/or project.

Inspection services will be provided on an “as requested” basis. It is expected that the inspector(s) will be responsible for successfully completing a background check (Live Scan) within 5 business days from the request for services. Upon successful completion of the background check, it is expected the inspector(s) will be available on-site in Palo Alto within 48 hours after successful completion of a background check. Inspection services will be required during regular working hours between 7am-5pm; however, work may be needed night and/or day, on weekends, holidays and/or on a split shift basis. Workweeks may be more than or less than the standard 40-hour work week. The consultant will be compensated for the actual hours the field inspector works as requested by each Project Manager/Engineer.

The City makes no guarantee as to the actual amount of services to be requested under any resulting inspection services contract.

II. General Work Description

The Field Inspector shall inspect new overhead and underground utility installations, alterations, and repairs to ensure compliance with the plans, specifications, standards, and codes.

The Field Inspector’s responsibilities include, but are not limited to the following items listed below. Additional specific requirements, qualifications and deliverables are listed in sections III through V of this Scope of Services:

A. Performs duties described in CPAU Inspector Checklist.
B. Attends pre-construction conference with the project team that will typically include City staff, the contractor and subcontractors, utility companies, and other interested parties.

C. Maintains a daily log of construction project activity and incidents, tracks job status and submits progress reports as required.
   - Once construction has begun, the assigned Consultant Inspector will perform on-site inspections to check the quality and quantity of the work performed by all trades and guard the City against defects and deficiencies in the work by the contractor.
   - As necessary, Consultant’s Inspector will inspect construction means, methods, techniques, and sequences to evaluate the contractor's compliance with the intent of the construction documents and/or City's Standards and recommend necessary remedial action to the contractor as required.

D. Ensures that all applicable utility rules, codes, and safety regulations are complied with.

E. Ensures all facilities are constructed in accordance with applicable plans, specifications and CPAU Utility Standards.
   - As necessary, Consultant’s Inspector will inspect construction means, methods, techniques, and sequences to evaluate the contractor's compliance with the intent of the construction documents and /or City Standards and recommend necessary remedial action to the contractor. Progress photos will be taken, and daily inspection reports will be prepared using the report format required or requested by the City.
   - The information on the daily reports will include but not be limited to weather, shift hours, traffic controls that are in place (both vehicular and pedestrian), stormwater erosion control measure conditions, detail and location of work activities, labor and equipment hours, work complete, quantities, and other related information and discussions. Information on the daily reports will allow for the review of the contractor’s costs of work in a manner similar to force account, and equipment will be identified sufficiently to determine applicable rental rates and operators minimum wage.

F. Ensures contractor complies with all required water pollution mitigation control measures.

G. Notifies contractors and the City's project Engineer of non-compliance with the contract plans, specifications and CPAU Utility Standards on the same day of discovery.

H. Reports and documents safety, compliance infractions, and unsafe work procedures in real time.

I. Prepares inspection documentation (e.g., daily work reports, quantity verification, notification check lists, service orders) for development of progress payments for the project construction contractor.

J. Assists in preparing punch lists of uncompleted work, non-conformance reports, and deficiency notices.
K. If requested by the City, Consultant will meet with City staff to discuss utilizing any existing City change order tracking systems that are currently in place as well as suggest protocols for use on the project.

L. Consultant will provide the City with assurance that the contractor is not presenting requests for change orders that are already included in the original scope of the contract. If requested by the City, Consultant’s Inspector will meet face-to-face with the contractor’s representative to gather more information on the nature of the potential change order. Consultant will notify the City when the Consultant becomes aware that the contractor plans to submit a change order request.

M. Certifies as to the acceptability of each project upon its completion.

N. As requested by the City, Consultant’s Construction Inspector will assist during the post-construction and contract closeout phases including the physical closeout, document closeout, and fiscal closeout.

   o **Physical closeout** consists of a series of inspections performed to document that the work is complete to one of two levels: (1) Substantial Completion – when work, or a designated portion of the work, is sufficiently complete that the client or the public may utilize it; or (2) Final Completion – acceptance by the client that the project is completed in full. Applicable certificates will be issued at each stage of completion, and punch lists will be updated during each inspection.

   o **Document closeout** is the process of assembling and transferring the required contract files from Consultant to the City when the contract is complete. Documents typically include project correspondence, progress pay estimates, work change directives, daily construction reports, extra work reports, contract change orders, and labor and equipment records. Consultant will provide hard copies and electronic copies of the project documents to the City. Consultant’s Inspector will compare the contractor’s “as-builds” to their as-builds and will submit drawings to the designer of record.

   o **Fiscal closeout** includes the review of contract administration (submittal log, RFI log, punch lists, etc.), accounting, and financial functions to confirm they are coordinated with physical closeout functions to ensure that no outstanding financial liability is present after the final payments/retentions are made to the contractor.

O. Conducts and generates agenda minutes of weekly field meetings.

P. As required or requested by the City, Consultant’s Inspector will attend all meetings including the weekly progress meetings, periodic meetings with the City, as well as any additional stakeholder meetings that may be necessary to successfully complete the project.
The weekly progress meeting will be used to review the contractor’s 3-week look ahead schedule (highlighting critical project activities, operations, and necessary coordination), open issues, status of submittals and open RFIs, deficient work, SWPPP concerns, and safety concerns.

Q. Documents installed work on the as built/record drawings daily (This may include the use of GPS equipment for data acquisition) and submits documentation as requested.

R. Documents project status with photographs and keeps project folders updated.

S. Conducts site safety inspections and works with the construction contractor at the start of projects on an “as-needed” basis.

T. Acts as the liaison between City staff, contractor, utility customers, and the public.

   o Consultant’s Inspector will coordinate with the City, business and property owners along the project route as well as the contractor so that businesses and residences are notified in advance when any work along their driveway entrances are scheduled.

   o Inspector to provide sufficient notification to businesses and property owners of upcoming work and work hours, and ensure the contractor performs the work when scheduled.

U. Consultant’s Inspector will continuously monitor the contractor’s traffic control measures and ensure they are in place before the start of each workday, maintained throughout the workday, and in place at the end of each workday. This will include ensuring the contractor provides all the required notification signage and the appropriate number of flagmen. If necessary, Consultant will request police patrol to enforce safe traffic speeds during construction throughout the project limits.

V. Coordinates the schedule between the contractor, Operations staff, City Departments, transit companies, and outside agencies as needed.

III. Construction Standards

A. Electric/Fiber Optic:
   Field Inspections shall be in accordance with the following:
   1. The most recent City of Palo Alto Utilities (CPAU) Electric Construction Standards manual;
   2. CPAU Electric Service Requirements manual;
   3. CPAU Safety Rules manual;
   4. CPAU plans, permits and other documents governing the construction of the project;
   5. California Public Utilities Commission (CPUC) General Orders 95 & 128,
   6. rules for construction and maintenance of overhead and underground electric supply and communication systems.

B. Water-Gas-Wastewater:
   Field Inspections shall be in accordance with the following:
1. The most recent City of Palo Alto Utility (CPAU) Standards for Water, Gas, and Wastewater construction;
2. Applicable rules for construction from the Department of Public Health regulations governing water pipeline installation;
3. Applicable Department of Transportation, Title 49, Code of Federal Regulations Part 192 regulations governing natural gas pipeline installations;
4. CPAU Safety Rules manual;
5. CPAU plans, permits and other documents governing the construction of the project.

IV. Field Inspector Qualifications

A. The Electrical/Fiber Optic Field Inspector assigned to work on CPAU’s Projects shall have a minimum of 10 years’ experience working for an Investor Owned Electric Utility and/or a Municipal Public Utility in the areas of overhead and underground construction, maintenance, and inspection with an in-depth knowledge of CPUC General Orders 95, 128, & 168. The Field Inspector shall have the ability to make sound decisions and to communicate with others and to assimilate and understand information in a manner consistent with the essential job functions. The Consultant’s personnel shall maintain the physical condition appropriate to the performance of the assigned duties which may include, but not limited to walking or standing for extended periods of time.

B. The Water, Gas, or Wastewater Field Inspector assigned to work on CPAU’s Projects shall have a minimum of 10 years’ experience working for an Investor Owned Utility and/or a Municipal Public Utility in the areas of distribution or transmission of water, natural gas, or wastewater systems. The Field Inspector must have a thorough understanding of underground construction practices as it relates to the installation, rehabilitation, maintenance and inspection of water, gas, and wastewater pipelines. The Field Inspector shall have the ability to make sound decisions and to communicate with others and to assimilate and understand information in a manner consistent with the essential job functions.

For natural gas pipeline projects, the Field Inspector must successfully pass all required Operator Qualification exams, administered by the City of Palo Alto. The Consultant’s personnel shall maintain the physical condition appropriate to the performance of the assigned duties which may include walking or standing for extended periods of time.

C. Personnel qualifications and staffing levels for City projects shall be subject to the approval of the City’s assigned Project Engineer. It is expected that the Consultant provide experienced personnel corresponding to the Utility project inspection request based on the qualifications outlined above. The Project Engineer shall reserve the right to review the resume and interview any new proposed consultant personnel for City projects. References of inspection experience shall be available for all staff and may be requested at any time during the Contract.

V. Documentation and Deliverables

The Field Inspector shall maintain a daily journal/diary for each day the inspector performs work on
the project. The contents of the diary shall consist of brief, accurate statements of progress and conditions encountered during the prosecution of the work. A construction daily report shall be produced by field inspector and given to the City’s assigned Project Engineer on a daily basis and will become a part of the permanent project record. The Field Inspector shall record field conditions of the construction site in daily work reports, photos, and associated drawings on a weekly basis. The final as-built drawings must be reviewed and approved by the Project Engineer weekly.

Any safety violations and inspections infractions found are to be communicated to the City and Contractor in real time as they are discovered.

Once a week an electronic effort summary report (web-based or in MS Word or MS Excel format) shall be sent to the Project Engineer summarizing job highlights to the consultant’s work hours, a general description of work performed, and any infractions found.

Consultant will submit a monthly **Budget Analysis Report** with each monthly invoice. These reports will be updated monthly and submitted to the City’s designated Project Manager. The frequency of reporting and content of each report will be discussed in detail with City staff following contract award. The general content of the report is outlined as follows:

- Original Budget Amount
- Percent Complete
- Percent Expended
- Percent of Project Completed
- Amount Invoiced to Date
- Remaining Budget to Date
- Pertinent Comments
- Dates Performed
EXHIBIT “A-1”
PROFESSIONAL SERVICES TASK ORDER

Consultant hereby agrees to perform the work detailed below in accordance with all the terms and conditions of the Agreement referenced in Item 1A below. All exhibits referenced in Item 8 are incorporated into the Agreement by this reference. The Consultant shall furnish the necessary facilities, professional, technical and supporting personnel required by this Task Order as described below.

1A. MASTER AGREEMENT NUMBER
1B. TASK ORDER NO.
2. CONSULTANT
3. PERIOD OF PERFORMANCE: START: COMPLETION:
4. TOTAL TASK ORDER PRICE: $____________
   BALANCE REMAINING IN MASTER AGREEMENT $____________
5. BUDGET CODE: ________________
   COST CENTER______________ COST ELEMENT______________ WBS/CIP________ PHASE____
6. CITY ___________________________ PROJECT ___________________________ MANAGER’S NAME/DEPARTMENT ___________________________
7. DESCRIPTION OF SCOPE OF SERVICES
   MUST INCLUDE:
   ▪ WORK TO BE PERFORMED
   ▪ SCHEDULE OF WORK
   ▪ BASIS FOR PAYMENT & FEE SCHEDULE
   ▪ DELIVERABLES
   ▪ REIMBURSABLES (with “not to exceed” cost)
8. ATTACHMENTS: A: Scope of Services B: _____________________________

I hereby authorize the performance of the work described above in this Task Order. I hereby acknowledge receipt and acceptance of this Task Order and warrant that I have authority to sign on behalf of Consultant.

APPROVED:
CITY OF PALO ALTO
BY: ____________________________
Name ____________________________
Title ____________________________
Date ____________________________

APPROVED:
COMPANY NAME: ____________________________
BY: ____________________________
Name ____________________________
Title ____________________________
Date ____________________________
EXHIBIT “B”
SCHEDULE OF PERFORMANCE

(NOT APPLICABLE for On-Call Services)
EXHIBIT “C”
COMPENSATION

The CITY agrees to compensate the CONSULTANT for professional services performed in accordance with the terms and conditions of this Agreement based on the hourly rate schedule attached as Exhibit C-1.

The compensation to be paid to CONSULTANT under this Agreement for all services, additional services, and reimbursable expenses shall not exceed the amount(s) stated in Section 4 of this Agreement. CONSULTANT agrees to complete all Services and Additional Services, including reimbursable expenses, within this/these amount(s). Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth in this Agreement shall be at no cost to the CITY.

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.

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 expenses, 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.
# EXHIBIT “C-1”
## SCHEDULE OF RATES

<table>
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<tr>
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<th>Labor Categories</th>
<th>Hourly Rate ((b)) ((c)) ((d))</th>
</tr>
</thead>
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<tr>
<td><strong>Task 1 – Electrical Inspections.</strong></td>
<td>Electrical Inspector – Regular Time</td>
<td>$151.00</td>
</tr>
<tr>
<td></td>
<td>Electrical Inspector – Night Time ((e))</td>
<td>$169.88</td>
</tr>
<tr>
<td></td>
<td>Electrical Inspector – Overtime ((f))</td>
<td>$226.50</td>
</tr>
<tr>
<td></td>
<td>Electrical Inspector – Double Time ((g))</td>
<td>$302.00</td>
</tr>
<tr>
<td></td>
<td>Electrical Inspector Apprentice – Regular Time ((h))</td>
<td>$92.00</td>
</tr>
<tr>
<td>TOTAL NOT TO EXCEED, TASK 1</td>
<td></td>
<td>TBD (^1)</td>
</tr>
<tr>
<td><strong>Task 2 – Water (potable / recycled), Wastewater, and Natural Gas Pipeline Inspections.</strong></td>
<td>Construction Inspector – Regular Time</td>
<td>$147.00</td>
</tr>
<tr>
<td></td>
<td>Construction Inspector – Night Time ((e))</td>
<td>$165.38</td>
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<td>Construction Inspector – Overtime ((f))</td>
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<td></td>
<td>Construction Inspector – Double Time ((f))</td>
<td>$294.00</td>
</tr>
<tr>
<td></td>
<td>Public Works Inspector Apprentice – Regular Time ((g))</td>
<td>$92.00</td>
</tr>
<tr>
<td>TOTAL NOT TO EXCEED, TASK 2</td>
<td></td>
<td>TBD (^2)</td>
</tr>
</tbody>
</table>

Notes:
- (a) The number of hours for the various tasks cannot be estimated at this time for an on-call contract.
- (b) Rates for prevailing wage categories are subject to annual escalations in accordance with the biannual wage determinations from the California DIR. Rates based on California DIR’s wage determinations dated August 2019.
- (c) Hourly rates are fully-burdened rates and no travel time will be billed by staff for daily travel to the project site.
- (d) Night Time work – work begun after 5 PM or before 6 AM (1.125 x hourly rate).
- (e) Overtime Work (over 8 hours M – F or 1st 8 hours on Saturdays (1.5 x hourly rate).
- (f) Double Time Work (over 8 hours on Saturdays or all hours on Sundays and Holidays (2 x hourly rate).

---

\(^1\) The compensation to be paid to CONSULTANT under this Agreement for all services, additional services, and reimbursable expenses shall not exceed the amount(s) stated in Section 4 of this Agreement.

\(^2\) The compensation to be paid to CONSULTANT under this Agreement for all services, additional services, and reimbursable expenses shall not exceed the amount(s) stated in Section 4 of this Agreement.
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:

<table>
<thead>
<tr>
<th>Required</th>
<th>Type of Coverage</th>
<th>Requirement</th>
<th>Minimum Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>WORKER’S COMPENSATION EMPLOYER’S LIABILITY</td>
<td>STATUTORY</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>YES</td>
<td>GENERAL LIABILITY, INCLUDING PERSONAL INJURY, BROAD FORM PROPERTY DAMAGE BLANKET CONTRACTUAL, AND FIRE LEGAL LIABILITY</td>
<td>BODILY INJURY</td>
<td>$1,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PROPERTY DAMAGE</td>
<td>$1,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>BODILY INJURY &amp; PROPERTY DAMAGE COMBINED</td>
<td>$1,000,000</td>
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<td>YES</td>
<td>AUTOMOBILE LIABILITY, INCLUDING ALL OWNED, HIRED, NON-OWNED</td>
<td>BODILY INJURY</td>
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<tr>
<td></td>
<td></td>
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<td>- EACH OCCURRENCE</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>PROPERTY DAMAGE</td>
<td>$1,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>BODILY INJURY AND PROPERTY DAMAGE COMBINED</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>YES</td>
<td>PROFESSIONAL LIABILITY, INCLUDING, ERRORS AND OMISSIONS, MALPRACTICE (WHEN APPLICABLE), AND NEGLIGENT PERFORMANCE</td>
<td>ALL DAMAGES</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

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 insureds City, its council members, officers, agents, and employees.

I. Insurance coverage must include:

A. A contractual liability endorsement providing insurance coverage for contractor’s agreement to indemnify City.

II. Contractor must submit certificates(s) of insurance evidencing required coverage at the following URL: [https://www.planetbids.com/portal/portal.cfm?CompanyID=25569](https://www.planetbids.com/portal/portal.cfm?CompanyID=25569).

III. Endorsement provisions, with respect to the insurance afforded to “additional insureds”

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 insureds.

B. Cross liability

The naming of more than one person, firm, or corporation as insureds 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 INSUREDS, 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.

VENDORS ARE REQUIRED TO FILE THEIR EVIDENCE OF INSURANCE AND ANY OTHER RELATED NOTICES WITH THE CITY OF PALO ALTO AT THE FOLLOWING URL:

HTTPS://WWW.PLANETBIDS.COM/PORTAL/PORTAL.CFM?COMPANYID=25569

OR

HTTP://WWW.CITYOFPALOALTO.ORG/GOV/DEPTS/ASD/PLANET_BIDS_HOW_TO.ASP
EXHIBIT “E”
DIR REGISTRATION FOR PUBLIC WORKS CONTRACTS

This Exhibit shall apply only to a contract for public works construction, alteration, demolition, repair or maintenance work, CITY will not accept a bid proposal from or enter into this Agreement with CONSULTANT without proof that CONSULTANT and its listed subcontractors are registered with the California Department of Industrial Relations (“DIR”) to perform public work, subject to limited exceptions. City requires CONSULTANT and its listed subcontractors to comply with the requirements of SB 854.

CITY provides notice to CONSULTANT of the requirements of California Labor Code section 1771.1(a), which reads:

“A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.”

CITY gives notice to CONSULTANT and its listed subcontractors that CONSULTANT is required to post all job site notices prescribed by law or regulation and CONSULTANT is subject to SB 854-compliance monitoring and enforcement by DIR.

CITY requires CONSULTANT and its listed subcontractors to comply with the requirements of Labor Code section 1776, including:

Keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by, respectively, CONSULTANT and its listed subcontractors, in connection with the Project.

The payroll records shall be verified as true and correct and shall be certified and made available for inspection at all reasonable hours at the principal office of CONSULTANT and its listed subcontractors, respectively.

At the request of CITY, acting by its project manager, CONSULTANT and its listed subcontractors shall make the certified payroll records available for inspection or furnished upon request to the project manager within ten (10) days of receipt of CITY’s request.
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<td><a href="mailto:tabatha.boatwright@cityofpaloalto.org">tabatha.boatwright@cityofpaloalto.org</a></td>
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<td>City of Palo Alto</td>
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**Electronic Record and Signature Disclosure:**
Not Offered via DocuSign

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<td>Signing Complete</td>
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CITY OF PALO ALTO CONTRACT NO. C20176888B

AGREEMENT BETWEEN THE CITY OF PALO ALTO AND

PARK ENGINEERING, INC. FOR PROFESSIONAL SERVICES

This Agreement is entered into on this 10th day of December, 2019, (“Agreement”) by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and PARK ENGINEERING, INC., a California Corporation, located at 372 Village Square, Orinda CA 94563 (“CONSULTANT”).

RECITALS

The following recitals are a substantive portion of this Agreement.

A. CITY intends to solicit on-call inspection services for electrical, water, gas and wastewater (“Project”) and desires to engage a consultant to provide services 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 at 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 CITY, as needed, with a Task Order assigned and approved by 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 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 February 28, 2025 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” (“Basic Services”), and reimbursable expenses, shall not exceed Once Million Dollars ($1,000,000). CONSULTANT agrees to complete all Basic Services, including reimbursable expenses, within this amount. The applicable rates and schedule of payment are set out at Exhibit “C-1”, entitled “HOURLY RATE SCHEDULE,” which is attached to and made a part of this Agreement. 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. 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 at 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 is solely responsible for costs, including, but not limited to, increases in the cost of Services, arising from or caused by CONSULTANT’s errors and omissions, including, but not limited to, the costs of corrections such errors and omissions, any change order markup costs, or costs arising from delay caused by the errors and omissions or unreasonable delay in correcting the errors and omissions.

**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 CITY’s stated construction budget, CONSULTANT shall make recommendations to 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 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:
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 Jaemin Park as the Project Manager to have supervisory responsibility for the performance, progress, and execution of the Services and 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.

CITY’s project manager is Aaron Perkins, Utilities Department, 1007 Elwell Court, Palo Alto, CA 94304, Telephone: (650) 566-4521. The project manager will be CONSULTANT’s point of contact with respect to performance, progress and execution of the Services. 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.

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 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 Chief Procurement Officer 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 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
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 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 due to that person’s race, skin color, gender, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, pregnancy, genetic information or condition, 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 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 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:

(a) 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 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.

(b) Goods purchased by CONSULTANT on behalf of CITY shall be purchased in accordance with 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 Division’s office.

(c) Reusable/returnable pallets shall be taken back by CONSULTANT, at no additional cost to 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. COMPLIANCE WITH PALO ALTO MINIMUM WAGE ORDINANCE.
CONSULTANT shall comply with all requirements of the Palo Alto Municipal Code Chapter 4.62 (Citywide Minimum Wage), as it may be amended from time to time. In particular, for any employee otherwise entitled to the State minimum wage, who performs at least two (2) hours of work in a calendar week within the geographic boundaries of the City, CONSULTANT shall pay such employees no less than the minimum wage set forth in Palo Alto Municipal Code section 4.62.030 for each hour worked within the geographic boundaries of the City of Palo Alto. In addition, CONSULTANT shall post notices regarding the Palo Alto Minimum Wage Ordinance in accordance with Palo Alto Municipal Code section 4.62.060.

SECTION 25. NON-APPROPRIATION

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

SECTION 26. PREVAILING WAGES AND DIR REGISTRATION FOR PUBLIC WORKS CONTRACTS

☐ 26.1. This Project is not subject to prevailing wages. CONSULTANT is not required to pay prevailing wages in the performance and implementation of the Project in accordance with SB 7 if the contract is not a public works contract, if the contract does not include a public works construction project of more than $25,000, or the contract does not include a public works alteration, demolition, repair, or maintenance (collectively, ‘improvement’) project of more than $15,000.

OR

☒ 26.1. CONSULTANT is required to pay general prevailing wages as defined
in Subchapter 3, Title 8 of the California Code of Regulations and Section 16000 et seq. and Section 1773.1 of the California Labor Code. Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the City Council has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in this locality for each craft, classification, or type of worker needed to execute the contract for this Project from the Director of the Department of Industrial Relations (“DIR”). Copies of these rates may be obtained at the Purchasing Division’s office of the City of Palo Alto. CONSULTANT shall provide a copy of prevailing wage rates to any staff or subcontractor hired, and shall pay the adopted prevailing wage rates as a minimum. CONSULTANT shall comply with the provisions of all sections, including, but not limited to, Sections 1775, 1776, 1777.5, 1782, 1810, and 1813, of the Labor Code pertaining to prevailing wages.

26.2. CONSULTANT shall comply with the requirements of Exhibit “E” for any contract for public works construction, alteration, demolition, repair or maintenance.

SECTION 27. MISCELLANEOUS PROVISIONS.

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

27.2. 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.

27.3. 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.

27.4. 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.

27.5. 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.

27.6. 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.

27.7. 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.
27.8. In the event of a conflict between the terms of this Agreement and the exhibits hereto or CONSULTANT’s proposal (if any), the Agreement shall control. In the case of any conflict between the exhibits hereto and CONSULTANT’s proposal, the exhibits shall control.

27.9. 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.

27.10. All unchecked boxes do not apply to this Agreement.

27.11. 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.

27.12. This Agreement may be signed in multiple counterparts, which shall, when executed by all the parties, constitute a single binding agreement.
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

____________________________
City Manager

PARK NEGINEERING, INC.

Officer 1

By: Stephen Patterson
Name: Stephen Patterson
Title: Vice President

Officer 2

By: Jaemin Park
Name: Jaemin Park
Title: President/CFO

APPROVED AS TO FORM:

____________________________
City Attorney or designee

Attachments:

EXHIBIT “A”: SCOPE OF SERVICES
EXHIBIT “A-1”: PROFESSIONAL SERVICES TASK ORDER (for on-call contracts only)
EXHIBIT “B”: SCHEDULE OF PERFORMANCE
EXHIBIT “C”: COMPENSATION
EXHIBIT “C-1”: SCHEDULE OF RATES
EXHIBIT “D”: INSURANCE REQUIREMENTS
EXHIBIT “E”: DIR REGISTRATION FOR PUBLIC WORKS CONTRACTS
EXHIBIT “A”
SCOPE OF SERVICES

I. Overview

Consultant shall provide professional services for field inspection of City’s capital improvement projects and/or private development projects. Projects will involve overhead/underground electrical, fiber optic, water, gas, or wastewater utilities. General duties may include, but are not limited to the following oversight of utility infrastructure installation by various methods per design drawings, specifications and utility standards; construction management; project or schedule coordination; compliance to safety requirements and approved traffic control plans; communication with City staff, contractor, customers, and the public; preparation of record drawings, construction daily reports, and other pertinent documents. The consultant shall provide personnel with a strong background and experience in electric, fiber optic, water, gas, or wastewater construction practices and standards, which will be dependent on the assigned utility and/or project.

Inspection services will be provided on an “as requested” basis. It is expected that the inspector(s) will be responsible for successfully completing a background check (Live Scan) within 5 business days from the request for services. Upon successful completion of the background check, it is expected the inspector(s) will be available on-site in Palo Alto within 48 hours after successful completion of a background check. Inspection services will be required during regular working hours between 7am-5pm; however, work may be needed night and/or day, on weekends, holidays and/or on a split shift basis. Workweeks may be more than or less than the standard 40-hour work week. The consultant will be compensated for the actual hours the field inspector works as requested by each Project Manager/Engineer.

The City makes no guarantee as to the actual amount of services to be requested under any resulting inspection services contract.

II. General Work Description

The Field Inspector shall inspect new overhead and underground utility installations, alterations, and repairs to ensure compliance with the plans, specifications, standards, and codes.

The Field Inspector’s responsibilities include, but are not limited to the following items listed below. Additional specific requirements, qualifications and deliverables are listed in sections III through V of this Scope of Services:

A. Performs duties described in CPAU Inspector Checklist.

B. Attends pre-construction conference with the project team that will typically include City staff, the contractor and subcontractors, utility companies, and other interested parties.

C. Maintains a daily log of construction project activity and incidents, tracks job status and submits progress reports as required.
Once construction has begun, the assigned Consultant’s Inspector will perform on-site inspections to check the quality and quantity of the work performed by all trades and guard the City against defects and deficiencies in the work by the contractor.

As necessary, Consultant’s Inspector will inspect construction means, methods, techniques, and sequences to evaluate the contractor's compliance with the intent of the construction documents and/or City Standards and recommend necessary remedial action to the contractor as required.

D. Ensures that all applicable utility rules, codes, and safety regulations are complied with.

E. Ensures all facilities are constructed in accordance with applicable plans, specifications and CPAU Utility Standards.

As necessary, Consultant’s Inspector will inspect construction means, methods, techniques, and sequences to evaluate the contractor's compliance with the intent of the construction documents and /or City Standards and recommend necessary remedial action to the contractor. Progress photos will be taken, and daily inspection reports will be prepared using the report format required or requested by the City.

The information on the daily reports will include but not be limited to weather, shift hours, traffic controls that are in place (both vehicular and pedestrian), stormwater erosion control measure conditions, detail and location of work activities, labor and equipment hours, work complete, quantities, and other related information and discussions. Information on the daily reports will allow for the review of the contractor’s costs of work in a manner similar to force account, and equipment will be identified sufficiently to determine applicable rental rates and operators minimum wage.

F. Ensures contractor complies with all required water pollution mitigation control measures.

G. Notifies contractors and the City’s project Engineer of non-compliance with the contract plans, specifications and CPAU Utility Standards on the same day of discovery.

H. Reports and documents safety, compliance infractions, and unsafe work procedures in real time.

I. Prepares inspection documentation (e.g., daily work reports, quantity verification, notification check lists, service orders) for development of progress payments for the project construction contractor.

J. Assists in preparing punch lists of uncompleted work, non-conformance reports, and deficiency notices.

K. If requested by the City, Consultant will meet with City staff to discuss utilizing any existing City change order tracking systems that are currently in place as well as suggest protocols for use on the project.

L. Consultant will provide the City with assurance that the contractor is not presenting requests for change orders that are already included in the original scope of the contract. If requested by the
City, Consultant’s Inspector will meet face-to-face with the contractor’s representative to gather more information on the nature of the potential change order. Consultant will notify the City when the Consultant becomes aware that the contractor plans to submit a change order request.

M. Certifies as to the acceptability of each project upon its completion.

N. As requested by the City, Consultant’s Construction Inspector will assist during the post-construction and contract closeout phases including the physical closeout, document closeout, and fiscal closeout.

- **Physical closeout** consists of a series of inspections performed to document that the work is complete to one of two levels: (1) Substantial Completion – when work, or a designated portion of the work, is sufficiently complete that the client or the public may utilize it; or (2) Final Completion – acceptance by the client that the project is completed in full. Applicable certificates will be issued at each stage of completion, and punch lists will be updated during each inspection.

- **Document closeout** is the process of assembling and transferring the required contract files from Consultant to the City when the contract is complete. Documents typically include project correspondence, progress pay estimates, work change directives, daily construction reports, extra work reports, contract change orders, and labor and equipment records. Consultant will provide hard copies and electronic copies of the project documents to the City. Consultant’s Inspector will compare the contractor’s “as-builts” to their as-builts and will submit drawings to the designer of record.

- **Fiscal closeout** includes the review of contract administration (submittal log, RFI log, punch lists, etc.), accounting, and financial functions to confirm they are coordinated with physical closeout functions to ensure that no outstanding financial liability is present after the final payments / retentions are made to the contractor.

O. Conducts and generates agenda minutes of weekly field meetings.

P. As required or requested by the City, Consultant’s Inspector will attend all meetings including the weekly progress meetings, periodic meetings with the City, as well as any additional stakeholder meetings that may be necessary to successfully complete the project.

- The **weekly progress meeting** will be used to review the contractor’s 3-week look ahead schedule (highlighting critical project activities, operations, and necessary coordination), open issues, status of submittals and open RFIs, deficient work, SWPPP concerns, and safety concerns.

Q. Documents installed work on the as built/record drawings daily (This may include the use of GPS equipment for data acquisition) and submits documentation as requested.

R. Documents project status with photographs and keeps project folders updated.
S. Conducts site safety inspections and works with the construction contractor at the start of projects on an “as-needed” basis.

T. Acts as the liaison between City staff, contractor, utility customers, and the public.
   - Consultant’s Inspector will coordinate with the City, business and property owners along the project route as well as the contractor so that businesses and residences are notified in advance when any work along their driveway entrances are scheduled.
   - Inspector to provide sufficient notification to businesses and property owners of upcoming work and work hours, and ensure the contractor performs the work when scheduled.

U. Consultant’s Inspector will continuously monitor the contractor’s traffic control measures and ensure they are in place before the start of each workday, maintained throughout the workday, and in place at the end of each workday. This will include ensuring the contractor provides all the required notification signage and the appropriate number of flagmen. If necessary, Consultant will request police patrol to enforce safe traffic speeds during construction throughout the project limits.

V. Coordinates the schedule between the contractor, Operations staff, City Departments, transit companies, and outside agencies as needed.

III. Construction Standards

A. Electric/Fiber Optic:
   Field Inspections shall be conducted in accordance with the following:
   1. the most recent City of Palo Alto Utilities (CPAU) Electric Construction Standards manual;
   2. CPAU Electric Service Requirements manual;
   3. CPAU Safety Rules manual;
   4. CPAU plans, permits and other documents governing the construction of the project;
   5. California Public Utilities Commission (CPUC) General Orders 95 and 128, and
   6. rules for construction and maintenance of overhead and underground electric supply and communication systems.

B. Water-Gas-Wastewater:
   Field Inspections shall be conducted in accordance with the following:
   1. The most recent City of Palo Alto Utility (CPAU) Standards for Water, Gas, and Wastewater construction;
   2. Applicable rules for construction from the Department of Public Health regulations governing water pipeline installation;
   3. Applicable Department of Transportation, Title 49, Code of Federal Regulations Part 192 regulations governing natural gas pipeline installations;
   4. CPAU Safety Rules manual;
   5. CPAU plans, permits and other documents governing the construction of the project.
IV. Field Inspector Qualifications

A. The Electrical/Fiber Optic Field Inspector assigned to work on CPAU’s Projects shall have a minimum of 10 years’ experience working for an Investor Owned Electric Utility and/or a Municipal Public Utility in the areas of overhead and underground construction, maintenance, and inspection with an in-depth knowledge of CPUC General Orders 95, 128, & 168. The Field Inspector shall have the ability to make sound decisions and to communicate with others and to assimilate and understand information in a manner consistent with the essential job functions. The Consultant’s personnel shall maintain the physical condition appropriate to the performance of the assigned duties which may include, but not limited to walking or standing for extended periods of time.

B. The Water, Gas, or Wastewater Field Inspector assigned to work on CPAU’s Projects shall have a minimum of 10 years’ experience working for an Investor Owned Utility and/or a Municipal Public Utility in the areas of distribution or transmission of water, natural gas, or wastewater systems. The Field Inspector must have a thorough understanding of underground construction practices as they relate to the installation, rehabilitation, maintenance and inspection of water, gas, and wastewater pipelines. The Field Inspector shall have the ability to make sound decisions and to communicate with others and to assimilate and understand information in a manner consistent with the essential job functions.

For natural gas pipeline projects, the Field Inspector must successfully pass all required Operator Qualification exams, administered by the City of Palo Alto. The Consultant’s personnel shall maintain the physical condition appropriate to the performance of the assigned duties which may include walking or standing for extended periods of time.

C. Personnel qualifications and staffing levels for City projects shall be subject to the approval of the City’s assigned Project Engineer. It is expected that the Consultant provide experienced personnel corresponding to the Utility project inspection request based on the qualifications outlined above. The Project Engineer shall reserve the right to review the resume and interview any new proposed consultant personnel for City projects. References of inspection experience shall be available for all staff and may be requested at any time during the Contract.

V. Documentation and Deliverables

The Field Inspector shall maintain a daily journal/diary for each day the inspector performs work on the project. The contents of the diary shall consist of brief, accurate statements of progress and conditions encountered during the prosecution of the work. A construction daily report shall be produced by field inspector and given to the City’s assigned Project Engineer on a daily basis and will become a part of the permanent project record. The Field Inspector shall record field conditions of the construction site in daily work reports, photos, and associated drawings on a weekly basis. The final as-built drawings must be reviewed and approved by the Project Engineer weekly.

Any safety violations and inspections infractions found are to be communicated to the City and Contractor in real time as they are discovered.
Once a week an electronic effort summary report (web-based or in MS Word or MS Excel format) shall be sent to the Project Engineer summarizing job highlights to the consultant’s work hours, a general description of work performed, and any infractions found.

Consultant will submit a monthly **Budget Analysis Report** with each monthly invoice. These reports will be updated monthly and submitted to the City’s designated Project Manager. The frequency of reporting and content of each report will be discussed in detail with City staff following contract award. The general content of the report is outlined as follows:

- Original Budget Amount
- Percent Complete
- Percent Expended
- Percent of Project Completed
- Amount Invoiced to Date
- Remaining Budget to Date
- Pertinent Comments
- Dates Performed
EXHIBIT “A-1”

PROFESSIONAL SERVICES TASK ORDER

Consultant hereby agrees to perform the work detailed below in accordance with all the terms and conditions of the Agreement referenced in Item 1A below. All exhibits referenced in Item 8 are incorporated into the Agreement by this reference. The Consultant shall furnish the necessary facilities, professional, technical and supporting personnel required by this Task Order as described below.

CONTRACT NO.  
Purchase Requisition No.

1A. MASTER AGREEMENT NUMBER
1B. TASK ORDER NO.
2. CONSULTANT
3. PERIOD OF PERFORMANCE: START: COMPLETION:
4. TOTAL TASK ORDER PRICE: $________
   BALANCE REMAINING IN MASTER AGREEMENT $________________________
5. BUDGET CODE: ____________
   COST CENTER_____________ COST ELEMENT____________ WBS/CIP________
   PHASE __________________
6. CITY ______________________ PROJECT ______________________ MANAGER’S
   NAME/DEPARTMENT________________________________________
7. DESCRIPTION OF SCOPE OF SERVICES
   MUST INCLUDE:
   • WORK TO BE PERFORMED
   • SCHEDULE OF WORK
   • BASIS FOR PAYMENT & FEE SCHEDULE
   • DELIVERABLES
   • REIMBURSABLES (with “not to exceed” cost)
8. ATTACHMENTS: A: Scope of Services B: ________________________________________________________________
   I hereby authorize the performance of the work described above in this Task Order. I hereby acknowledge receipt and acceptance of this Task Order and warrant that I have authority to sign on behalf of Consultant.

APPROVED:
CITY OF PALO ALTO  
BY:__________________________
Name__________________________
Title__________________________
Date__________________________

APPROVED:
COMPANY NAME: ______________________
BY:__________________________________
Name________________________________
Title________________________________
Date_______________________________
EXHIBIT “B”
SCHEDULE OF PERFORMANCE

(NOT APPLICABLE for On-Call Services)
EXHIBIT “C”
COMPENSATION

The CITY agrees to compensate the CONSULTANT for professional services performed in accordance with the terms and conditions of this Agreement based on the hourly rate schedule attached as Exhibit C-1.

The compensation to be paid to CONSULTANT under this Agreement for all services, additional services, and reimbursable expenses shall not exceed the amount(s) stated in Section 4 of this Agreement. CONSULTANT agrees to complete all Services and Additional Services, including reimbursable expenses, within this/these amount(s). Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth in this Agreement shall be at no cost to the CITY.

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.

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 expenses, 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.
EXHIBIT “C-1”
SCHEDULE OF RATES

Overhead Rate = 110.10%
Fixed Fee = 10%

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<thead>
<tr>
<th>Scope</th>
<th>Labor Categories</th>
<th>Base Hourly Rate</th>
<th>Extended Rate (Burdened Rate)</th>
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<tr>
<td>Task 1 – Field Inspection for Quality</td>
<td>Construction</td>
<td>$52.08 to $63.35</td>
<td>$120.36 to $147.10</td>
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<tr>
<td>Control and Contract Compliance</td>
<td>Inspector/ Assistant Resident Engineer</td>
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TOTAL NOT TO EXCEED, TASK 1                TBD 1

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<th>Scope</th>
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<th>Base Hourly Rate</th>
<th>Extended Rate (Burdened Rate)</th>
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<tbody>
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<td>Construction</td>
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<td>$154.85 to 189.39</td>
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<td></td>
<td>Manager/ Resident Engineer</td>
<td>($70.00)</td>
<td>($70.00)</td>
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TOTAL NOT TO EXCEED, TASK 2                TBD 2

Notes:
(a) The number of hours for the various tasks cannot be estimated at this time for an on-call contract.
(b) Rates for prevailing wage categories are subject to annual escalations in accordance with the bi-
annual wage determinations from the California DIR. Rates based on California DIR’s wage determinations dated August 2019.
(c) Hourly rates are fully-burdened rates and no travel time will be billed by staff for daily travel to the project site.

1 The compensation to be paid to CONSULTANT under this Agreement for all services, additional services, and reimbursable expenses shall not exceed the amount(s) stated in Section 4 of this Agreement.
2 The compensation to be paid to CONSULTANT under this Agreement for all services, additional services, and reimbursable expenses shall not exceed the amount(s) stated in Section 4 of this Agreement.
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:

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<tr>
<th>REQUIRED</th>
<th>TYPE OF COVERAGE</th>
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<tr>
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<td>WORKER’S COMPENSATION</td>
<td>STATUTORY</td>
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<tr>
<td>YES</td>
<td>EMPLOYER’S LIABILITY</td>
<td>STATUTORY</td>
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<tr>
<td>YES</td>
<td>GENERAL LIABILITY, INCLUDING PERSONAL INJURY, BROAD FORM PROPERTY DAMAGE BLANKET CONTRACTUAL, AND FIRE LEGAL LIABILITY</td>
<td>BODILY INJURY</td>
<td>$1,000,000</td>
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<td></td>
<td>PROPERTY DAMAGE</td>
<td>$1,000,000</td>
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<td></td>
<td>BODILY INJURY &amp; PROPERTY DAMAGE COMBINED</td>
<td>$1,000,000</td>
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<td>YES</td>
<td>AUTOMOBILE LIABILITY, INCLUDING ALL OWNED, HIRED, NON-OWNED</td>
<td>BODILY INJURY</td>
<td>$1,000,000</td>
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<tr>
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<td></td>
<td>- EACH PERSON</td>
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<td>PROPERTY DAMAGE</td>
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<tr>
<td></td>
<td></td>
<td>BODILY INJURY AND PROPERTY DAMAGE, COMBINED</td>
<td>$1,000,000</td>
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<tr>
<td>YES</td>
<td>PROFESSIONAL LIABILITY, INCLUDING, ERRORS AND OMISSIONS, MALPRACTICE (WHEN APPLICABLE), AND NEGLIGENCE PERFORMANCE</td>
<td>ALL DAMAGES</td>
<td>$1,000,000</td>
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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 INSUREDS 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.

II. CONTRACTOR MUST SUBMIT CERTIFICATES(S) OF INSURANCE EVIDENCING REQUIRED COVERAGE AT THE FOLLOWING URL: https://www.planetbids.com/portal/portal.cfm?CompanyID=25569.

III. ENDORSEMENT PROVISIONS, WITH RESPECT TO THE INSURANCE AFFORDED TO “ADDITIONAL INSUREDS”

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 INSUREDS.
B. CROSS LIABILITY

THE NAMING OF MORE THAN ONE PERSON, FIRM, OR CORPORATION AS INSUREDS 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 INSUREDS, 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.

VENDORS ARE REQUIRED TO FILE THEIR EVIDENCE OF INSURANCE AND ANY OTHER RELATED NOTICES WITH THE CITY OF PALO ALTO AT THE FOLLOWING URL:

HTTPS://WWW.PLANETBIDS.COM/PORTAL/PORTAL.CFM?COMPANYID=25569
OR
HTTP://WWW.CITYOFPALOALTO.ORG/GOV/DEPTS/ASD/PLANET_BIDS_HOW_TO.ASP
EXHIBIT “E”
DIR REGISTRATION FOR PUBLIC WORKS CONTRACTS

This Exhibit shall apply only to a contract for public works construction, alteration, demolition, repair or maintenance work, CITY will not accept a bid proposal from or enter into this Agreement with CONSULTANT without proof that CONSULTANT and its listed subcontractors are registered with the California Department of Industrial Relations (“DIR”) to perform public work, subject to limited exceptions. City requires CONSULTANT and its listed subcontractors to comply with the requirements of SB 854.

CITY provides notice to CONSULTANT of the requirements of California Labor Code section 1771.1(a), which reads:

“A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.”

CITY gives notice to CONSULTANT and its listed subcontractors that CONSULTANT is required to post all job site notices prescribed by law or regulation and CONSULTANT is subject to SB 854-compliance monitoring and enforcement by DIR.

CITY requires CONSULTANT and its listed subcontractors to comply with the requirements of Labor Code section 1776, including:

Keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by, respectively, CONSULTANT and its listed subcontractors, in connection with the Project.

The payroll records shall be verified as true and correct and shall be certified and made available for inspection at all reasonable hours at the principal office of CONSULTANT and its listed subcontractors, respectively.

At the request of CITY, acting by its project manager, CONSULTANT and its listed subcontractors shall make the certified payroll records available for inspection or furnished upon request to the project manager within ten (10) days of receipt of CITY’s request.
# Certificate Of Completion

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**Status:** Completed  
**Source Envelope:**  
**Document Pages:** 24  
**Certificate Pages:** 2  
**Signatures:** 2  
**Initials:** 0  
**Envelope Originator:** Terry Loo  
**250 Hamilton Ave**  
**Palo Alto, CA 94301**  
**Terry.Loo@CityofPaloAlto.org**  
**IP Address:** 199.33.32.254  
**Time Zone:** (UTC-08:00) Pacific Time (US & Canada)

## Record Tracking

- **Status:** Original  
- **Holder:** Terry Loo  
- **Terry.Loo@CityofPaloAlto.org**
- **Location:** DocuSign  
- **Security Appliance Status:** Connected  
- **Pool:** StateLocal  
- **Storage Appliance Status:** Connected  
- **Pool:** City of Palo Alto  

### Signer Events

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| **Jaemin Park**  
**jpark@park-eng.com**  
**President/CEO/CFO**  
**Security Level:** Email, Account Authentication  
**Signature Adoption:** Pre-selected Style  
**Using IP Address:** 67.160.231.100 | ![Jaemin Park signature](SignatureImage) | **Sent:** 1/15/2020 7:27:14 AM  
**Viewed:** 1/15/2020 8:21:28 AM  
**Signed:** 1/15/2020 8:22:03 AM |

**Electronic Record and Signature Disclosure:** Not Offered via DocuSign

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| **Stephen Patterson**  
**spatterson@park-eng.com**  
**Vice President**  
**Security Level:** Email, Account Authentication  
**Signature Adoption:** Pre-selected Style  
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**Viewed:** 1/15/2020 4:37:17 PM  
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**Electronic Record and Signature Disclosure:** Not Offered via DocuSign

## In Person Signer Events

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**Aaron.Perkins@CityofPaloAlto.org**  
**Security Level:** Email, Account Authentication  
**Electronic Record and Signature Disclosure:** Not Offered via DocuSign | ![Aaron Perkins signature](SignatureImage) | **Sent:** 1/15/2020 4:38:07 PM  
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<td><a href="mailto:Tabatha.boatwright@cityofpaloalto.org">Tabatha.boatwright@cityofpaloalto.org</a></td>
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