



# City of Palo Alto

## City Council Staff Report

(ID # 7804)

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**Report Type: Consent Calendar**

**Meeting Date: 3/19/2018**

**Summary Title: Approval of a Gas Surveying Contract for \$437,710 with Manesco Corporation**

**Title: Approval of a 5-Year Contract With Manesco Corporation to Conduct Annual Walking and Mobile Gas Leak Surveys, Including Resurveys of Existing Leaks, for a Total Not-To-Exceed Amount of \$437,710**

**From: City Manager**

**Lead Department: Utilities**

### **Recommendation**

Staff recommends that the City Council:

1. Approve and authorize the City Manager or his designee to execute Contract No. C18169298 with Manesco Corporation in an amount not-to-exceed \$437,710 to conduct annual walking and mobile gas leak surveys and annual resurveys of existing gas leaks for a five year term to begin April 2018; and
2. Approve a 5% contingency of \$21,886 in addition to the contract amount.

### **Background**

The City of Palo Alto Utilities Gas Operations Division is responsible for the operation, maintenance and repair of the gas distribution system. The City's gas system includes approximately 18,000 gas services and approximately 209 miles of gas main. The distribution system is comprised of steel, plastic polyvinyl chloride (PVC), plastic polyethylene (PE), and plastic acrylonitrile butadiene styrene (ABS) mains. The City also has fourteen principal business districts which include approximately 1,872 gas services. Maintenance of the gas distribution system includes the annual walking and mobile gas leak surveys in accordance with federal regulations.

Palo Alto Utilities takes an aggressive approach to leak identification and repair, and completes a survey of the entire system every two years instead of the DOT mandated minimum of every five years. This evaluation allows us to improve the City's infrastructure and work towards the overall reduction and prevention of future leaks.

### **Discussion**

The City's Gas Operations Department conducts an annual mobile survey that checks every gas main in the City and walks every service line in each of the fourteen identified business districts.

The mobile survey includes tests of the atmosphere near gas mains; in gas, electric, telephone, sewer, and water system manholes; at cracks in the pavement and sidewalks; and at other locations offering an opportunity to find gas leaks.

Gas Operations also conducts a walking survey of each gas service in the system in one half of the City every year, so that within a two year cycle, the entire City is surveyed by walking. Natural movement in the ground as well as human impacts can cause small leaks in the system that would not necessarily be identified until they became larger and more hazardous. The walking leak survey involves a qualified technician carrying gas detection equipment and walking every gas service line and evaluating every gas meter in the portion of the City being surveyed.

**Summary of Solicitation Process**

Proposal Description/Number	RFQ #169298
Proposed Length of Project	5 Years
Number of Websites	1 (PlanetBids)
Total Days to Respond to Proposal	14
Number of Proposals Received	3
Company Name	Address
Manesco Corporation	28301 Industrial Blvd. # Q, Hayward, CA 94545
Southern Cross	3175 Corners North Ct, Peachtree Corners, GA 30071
MBS Engineering	12893 Alcosta Blvd. Ste K, San Ramon, CA 94583

Bid results are shown below:

Vendor	Year 1	Year 2	Year 3	Year 4	Year5	Total
Manesco	\$ 85,750	\$ 86,600	\$ 87,565	\$ 88,415	\$ 89,380	\$ 437,710
MBS Engineering	\$ 107,980	\$ 111,249	\$ 114,544	\$ 117,959	\$ 121,491	\$ 573,222
Southern Cross	\$ 107,987	\$ 111,227	\$ 114,563	\$ 118,000	\$ 121,540	\$ 573,318

After a thorough review of the bids submitted, Manesco Corporation was determined to be the lowest responsible bidder.

**Resource Impact**

Funding for the 2018 gas leak rechecks survey, which is scheduled to begin in March 2018, as well as the walking and mobile surveys in 2018, is available in the FY 2018 Gas Operations/Maintenance budget. Funding for contract years two through five are contingent upon Council appropriation and approval of funds through the annual budget process.

**Policy Implications**

Authorization of this contract does not represent any change to existing policy.

**Environmental Review**

Council's approval of this term agreement for gas leak surveys and gas leak rechecks is categorically exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines 15301(c) (operation, repair, maintenance of existing facilities), and 15308 (actions by regulatory agencies for protection of the environment), thus no environmental review is required.

**Attachments:**

- Attachment A: Contract C18169298 Mobile and Walking Gas Survey

## CITY OF PALO ALTO CONTRACT NO. C18169298

## GENERAL SERVICES AGREEMENT

**THIS AGREEMENT** made and entered into on the 5<sup>th</sup> day of March, 2018, by and between the **CITY OF PALO ALTO, a California chartered municipal corporation** (“CITY”), and **MANESCO CORPORATION**, a California corporation, located at 28301 Industrial Blvd., #Q, Hayward, CA 94545, Telephone Number: (510)293-8700 (“**CONTRACTOR**”). In consideration of their mutual covenants, the parties hereto agree as follows:

1. **SERVICES.** CONTRACTOR shall provide or furnish the services (the “Services”) described in the Scope of Services, attached at Exhibit A.
2. **EXHIBITS.** The following exhibits are attached to and made a part of this Agreement:

- “A” - Scope of Services
- “A-1” – On-Call Task Order (Optional)
- “B” - Schedule of Performance
- “C” – Schedule of Fees
- “D” - Insurance Requirements
- “E” - Performance and/or Payment Bond
- “F” - Liquidated Damages (Optional)

***CONTRACT IS NOT COMPLETE UNLESS ALL INDICATED EXHIBITS ARE ATTACHED.***

3. **TERM.**  
The term of this Agreement is from April 6, 2018 to April 5, 2023 inclusive, subject to the provisions of Sections Q and V of the General Terms and Conditions.
4. **SCHEDULE OF PERFORMANCE.** CONTRACTOR shall complete the Services within the term of this Agreement in a reasonably prompt and timely manner based upon the circumstances and direction communicated to CONTRACTOR, and if applicable, in accordance with the schedule set forth in the Schedule of Performance, attached at Exhibit B. Time is of the essence in this Agreement.
5. **COMPENSATION FOR ORIGINAL TERM.** CITY shall pay and CONTRACTOR agrees to accept as not-to-exceed compensation for the full performance of the Services and reimbursable expenses, if any:

- The total maximum lump sum compensation of \_\_\_\_\_ dollars (\$) );  
**OR**
- The sum of \_\_\_\_\_ dollars (\$) ) per hour, not to exceed a total maximum compensation amount of \_\_\_\_\_ dollars (\$) ); **OR**
- A sum calculated in accordance with the fee schedule set forth at Exhibit C, not to exceed a total maximum compensation amount of Four Hundred Thirty-Seven Thousand Seven Hundred ten dollars (\$437,710.00).

CONTRACTOR agrees that it can perform the Services for an amount not to exceed the total maximum compensation set forth above. Any hours worked or services performed by CONTRACTOR for which payment would result in a total exceeding the maximum amount of compensation set forth above for performance of the Services shall be at no cost to CITY.

- CITY has set aside the sum of \_\_\_\_\_ dollars (\$) ) for Additional Services. CONTRACTOR shall provide Additional Services only by advanced, written authorization from the City Manager or designee. CONTRACTOR, at the CITY’s request, shall submit a detailed written proposal including a description of the scope of services, schedule, level of effort, and CONTRACTOR’s proposed maximum compensation, including reimbursable expense, for such services. Compensation shall be based on the hourly rates set forth above or in Exhibit C (whichever is applicable), or if such rates are not applicable, a negotiated lump sum. CITY shall not authorize and CONTRACTOR shall not perform any Additional Services for which payment would exceed the amount set forth above for Additional Services. Payment for Additional Services is subject to all requirements and restrictions in this Agreement.

**6. COMPENSATION DURING ADDITIONAL TERMS.**

- CONTRACTOR’S compensation rates for each additional term shall be per Exhibit C – Fees attached; **OR**
- CONTRACTOR’s compensation rates shall be adjusted effective on the commencement of each Additional Term. The lump sum compensation amount, hourly rates, or fees, whichever is applicable as set forth in section 5 above, shall be adjusted by a percentage equal to the change in the Consumer Price Index for Urban Wage Earners and Clerical Workers for the San Francisco-Oakland- San Jose area, published by the United States Department of Labor Statistics (CPI) which is published most

immediately preceding the commencement of the applicable Additional Term, which shall be compared with the CPI published most immediately preceding the commencement date of the then expiring term. Notwithstanding the foregoing, in no event shall CONTRACTOR's compensation rates be increased by an amount exceeding five percent of the rates effective during the immediately preceding term. Any adjustment to CONTRACTOR's compensation rates shall be reflected in a written amendment to this Agreement.

7. **INVOICING.** Send all invoices to CITY, Attention: Project Manager. The Project Manager is: Melissa Smart, Dept.: Utilities, Telephone: 650-496-6940. Invoices shall be submitted in arrears for Services performed. Invoices shall not be submitted more frequently than monthly. Invoices shall provide a detailed statement of Services performed during the invoice period and are subject to verification by CITY. CITY shall pay the undisputed amount of invoices within 30 days of receipt.

#### GENERAL TERMS AND CONDITIONS

- A. **ACCEPTANCE.** CONTRACTOR accepts and agrees to all terms and conditions of this Agreement. This Agreement includes and is limited to the terms and conditions set forth in sections 1 through 7 above, these general terms and conditions and the attached exhibits.
- B. **QUALIFICATIONS.** CONTRACTOR represents and warrants that it has the expertise and qualifications to complete the services described in Section 1 of this Agreement, entitled "SERVICES," and that every individual charged with the performance of the services under this Agreement has sufficient skill and experience and is duly licensed or certified, to the extent such licensing or certification is required by law, to perform the Services. CITY expressly relies on CONTRACTOR's representations regarding its skills, knowledge, and certifications. CONTRACTOR shall perform all work in accordance with generally accepted business practices and performance standards of the industry, including all federal, state, and local operation and safety regulations.
- C. **INDEPENDENT CONTRACTOR.** It is understood and agreed that in the performance of this Agreement, CONTRACTOR and any person employed by CONTRACTOR shall at all times be considered an independent CONTRACTOR and not an agent or employee of CITY. CONTRACTOR shall be responsible for employing or engaging all persons necessary to complete the work required under this Agreement.
- D. **SUBCONTRACTORS.** CONTRACTOR may not use subcontractors to perform any Services under this Agreement unless CONTRACTOR obtains prior written

consent of CITY. CONTRACTOR shall be solely responsible for directing the work of approved subcontractors and for any compensation due to subcontractors.

- E. TAXES AND CHARGES.** CONTRACTOR shall be responsible for payment of all taxes, fees, contributions or charges applicable to the conduct of CONTRACTOR's business.
- F. COMPLIANCE WITH LAWS.** CONTRACTOR shall in the performance of the Services comply with all applicable federal, state and local laws, ordinances, regulations, and orders.
- G. PALO ALTO MINIMUM WAGE ORDINANCE.** CONTRACTOR 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, CONTRACTOR 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, CONTRACTOR shall post notices regarding the Palo Alto Minimum Wage Ordinance in accordance with Palo Alto Municipal Code section 4.62.060.
- H. DAMAGE TO PUBLIC OR PRIVATE PROPERTY.** CONTRACTOR shall, at its sole expense, repair in kind, or as the City Manager or designee shall direct, any damage to public or private property that occurs in connection with CONTRACTOR's performance of the Services. CITY may decline to approve and may withhold payment in whole or in part to such extent as may be necessary to protect CITY from loss because of defective work not remedied or other damage to the CITY occurring in connection with CONTRACTOR's performance of the Services. CITY shall submit written documentation in support of such withholding upon CONTRACTOR's request. When the grounds described above are removed, payment shall be made for amounts withheld because of them.
- I. WARRANTIES.** CONTRACTOR expressly warrants that all services provided under this Agreement shall be performed in a professional and workmanlike manner in accordance with generally accepted business practices and performance standards of the industry and the requirements of this Agreement. CONTRACTOR expressly warrants that all materials, goods and equipment provided by CONTRACTOR under this Agreement shall be fit for the particular purpose intended, shall be free from defects, and shall conform to the requirements of this Agreement. CONTRACTOR agrees to promptly replace or correct any material or service not in compliance with these warranties, including incomplete, inaccurate, or defective material or service, at no further cost to CITY. The warranties set forth in this section shall be in effect for a period

of one year from completion of the Services and shall survive the completion of the Services or termination of this Agreement.

- J. MONITORING OF SERVICES.** CITY may monitor the Services performed under this Agreement to determine whether CONTRACTOR's work is completed in a satisfactory manner and complies with the provisions of this Agreement.
- K. CITY'S PROPERTY.** Any reports, information, data or other material (including copyright interests) developed, collected, assembled, prepared, or caused to be prepared under this Agreement will become the property of CITY without restriction or limitation upon their use and will not be made available to any individual or organization by CONTRACTOR or its subcontractors, if any, without the prior written approval of the City Manager.
- L. AUDITS.** CONTRACTOR agrees to permit CITY and its authorized representatives to audit, at any reasonable time during the term of this Agreement and for three (3) years from the date of final payment, CONTRACTOR's records pertaining to matters covered by this Agreement. CONTRACTOR agrees to maintain accurate books and records in accordance with generally accepted accounting principles for at least three (3) following the terms of this Agreement.
- M. NO IMPLIED WAIVER.** No payment, partial payment, acceptance, or partial acceptance by CITY shall operate as a waiver on the part of CITY of any of its rights under this Agreement.
- N. INSURANCE.** CONTRACTOR, at its sole cost, shall purchase and maintain in full force during the term of this Agreement, the insurance coverage described at Exhibit D. Insurance must be provided by companies with a Best's Key Rating of A-:VII or higher and which are otherwise acceptable to CITY's Risk Manager. The Risk Manager must approve deductibles and self-insured retentions. In addition, all policies, endorsements, certificates and/or binders are subject to approval by the Risk Manager as to form and content. CONTRACTOR shall obtain a policy endorsement naming the City of Palo Alto as an additional insured under any general liability or automobile policy. CONTRACTOR shall obtain an endorsement stating that the insurance is primary coverage and will not be canceled or materially reduced in coverage or limits until after providing 30 days prior written notice of the cancellation or modification to the Risk Manager. CONTRACTOR shall provide certificates of such policies or other evidence of coverage satisfactory to the Risk Manager, together with the required endorsements and evidence of payment of premiums, to CITY concurrently with the execution of this Agreement and shall throughout the term of this Agreement provide current certificates evidencing the required insurance coverages and endorsements to the Risk Manager. CONTRACTOR shall include all subcontractors as insured under its policies or shall obtain and provide to CITY

separate certificates and endorsements for each subcontractor that meet all the requirements of this section. The procuring of such required policies of insurance shall not operate to limit CONTRACTOR's liability or obligation to indemnify CITY under this Agreement.

- O. HOLD HARMLESS.** To the fullest extent permitted by law and without limitation by the provisions of section M relating to insurance, CONTRACTOR shall indemnify, defend and hold harmless CITY, its Council members, officers, employees and agents from and against any and all demands, claims, injuries, losses, or liabilities of any nature, including death or injury to any person, property damage or any other loss and including without limitation all damages, penalties, fines and judgments, associated investigation and administrative expenses and defense costs, including, but not limited to reasonable attorney's fees, courts costs and costs of alternative dispute resolution), arising out of, or resulting in any way from or in connection with the performance of this Agreement. CONTRACTOR's obligations under this Section apply regardless of whether or not a liability is caused or contributed to by any negligent (passive or active) act or omission of CITY, except that CONTRACTOR shall not be obligated to indemnify for liability arising from the sole negligence or willful misconduct of CITY. The acceptance of the Services by CITY shall not operate as a waiver of the right of indemnification. The provisions of this Section survive the completion of the Services or termination of this Agreement.
- P. NON-DISCRIMINATION.** As set forth in Palo Alto Municipal Code section 2.30.510, CONTRACTOR certifies that in the performance of this Agreement, it shall not discriminate in the employment of any person because of the race, skin color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, familial status, weight or height of such person. CONTRACTOR 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.
- Q. WORKERS' COMPENSATION.** CONTRACTOR, by executing this Agreement, certifies that it is aware of the provisions of the Labor Code of the State of California which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and certifies that it will comply with such provisions, as applicable, before commencing and during the performance of the Services.
- R. TERMINATION.** The City Manager may terminate this Agreement without cause by giving ten (10) days' prior written notice thereof to CONTRACTOR. If CONTRACTOR fails to perform any of its material obligations under this

Agreement, in addition to all other remedies provided by law, the City Manager may terminate this Agreement immediately upon written notice of termination. Upon receipt of such notice of termination, CONTRACTOR shall immediately discontinue performance. CITY shall pay CONTRACTOR for services satisfactorily performed up to the effective date of termination. If the termination is for cause, CITY may deduct from such payment the amount of actual damage, if any, sustained by CITY due to CONTRACTOR's failure to perform its material obligations under this Agreement. Upon termination, CONTRACTOR shall immediately deliver to the City Manager any and all copies of studies, sketches, drawings, computations, and other material or products, whether or not completed, prepared by CONTRACTOR or given to CONTRACTOR, in connection with this Agreement. Such materials shall become the property of CITY.

**S. ASSIGNMENTS/CHANGES.** This Agreement binds the parties and their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written consent of CITY. No amendments, changes or variations of any kind are authorized without the written consent of CITY.

**T. CONFLICT OF INTEREST.** In accepting this Agreement, CONTRACTOR 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 this Contract. CONTRACTOR further covenants that, in the performance of this Contract, it will not employ any person having such an interest. CONTRACTOR certifies that no CITY Officer, employee, or authorized representative has any financial interest in the business of CONTRACTOR and that no person associated with CONTRACTOR has any interest, direct or indirect, which could conflict with the faithful performance of this Contract. CONTRACTOR agrees to advise CITY if any conflict arises.

**U. GOVERNING LAW.** This contract shall be governed and interpreted by the laws of the State of California.

**V. ENTIRE AGREEMENT.** This Agreement, including all exhibits, represents the entire agreement between the parties with respect to the services that may be the subject of this Agreement. Any variance in the exhibits does not affect the validity of the Agreement and the Agreement itself controls over any conflicting provisions in the exhibits. This Agreement supersedes all prior agreements, representations, statements, negotiations and undertakings whether oral or written.

**W. NON-APPROPRIATION.** 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 Contract 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 Contract.

**X. ENVIRONMENTALLY PREFERRED PURCHASING AND ZERO WASTE REQUIREMENTS.** CONTRACTOR shall comply with CITY's Environmentally Preferred Purchasing policies which are available at CITY's Purchasing Division, which are incorporated by reference and may be amended from time to time. CONTRACTOR 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, CONTRACTOR shall comply with the following zero waste requirements:

- All printed materials provided by CONTRACTOR 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.
- Goods purchased by Contractor 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.
- Reusable/returnable pallets shall be taken back by CONTRACTOR, at no additional cost to CITY, for reuse or recycling. CONTRACTOR shall provide documentation from the facility accepting the pallets to verify that pallets are not being disposed.

**Y. AUTHORITY.** The individual(s) executing this Agreement on behalf of the parties represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

**Z. PREVAILING WAGES**

**This Project is not subject to prevailing wages.** Contractor 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 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**

**Contractor 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. Contractor 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. Contractor 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.

**AA.DIR REGISTRATION.** In regard to any public work construction, alteration, demolition, repair or maintenance work, CITY will not accept a bid proposal from or enter into this Agreement with CONTRACTOR without proof that CONTRACTOR and its listed subcontractors are registered with the California Department of Industrial Relations ("DIR") to perform public work, subject to limited exceptions. City requires CONTRACTOR and its listed subcontractors to comply with the requirements of SB 854.

CITY provides notice to CONTRACTOR 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 CONTRACTOR and its listed subcontractors that CONTRACTOR is required to post all job site notices prescribed by law or

regulation and CONTRACTOR is subject to SB 854-compliance monitoring and enforcement by DIR.

CITY requires CONTRACTOR 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, CONTRACTOR 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 CONTRACTOR and its listed subcontractors, respectively.

At the request of CITY, acting by its project manager, CONTRACTOR 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.

[For state- and federally-funded projects] CITY requests CONTRACTOR and its listed subcontractors to submit the certified payroll records to the project manager at the end of each week during the Project.

If the certified payroll records are not produced to the project manager within the 10-day period, then CONTRACTOR and its listed subcontractors shall be subject to a penalty of one hundred dollars (\$100.00) per calendar day, or portion thereof, for each worker, and CITY shall withhold the sum total of penalties from the progress payment(s) then due and payable to CONTRACTOR.

Inform the project manager of the location of CONTRACTOR's and its listed subcontractors' payroll records (street address, city and county) at the commencement of the Project, and also provide notice to the project manager within five (5) business days of any change of location of those payroll records.

**BB. CONTRACT TERMS.** All unchecked boxes do not apply to this Agreement. In the case of any conflict between the terms of this Agreement and the exhibits hereto or CONTRACTOR's proposal (if any), the Agreement shall control. In the case of any conflict between the exhibits hereto and CONTRACTOR's proposal, the exhibits shall control.

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 or Designee

**Approved as to form:**

\_\_\_\_\_  
City Attorney or Designee

**MANESCO CORPORATION**

First Officer DocuSigned by:  
*Sofronio Mansalay*  
By \_\_\_\_\_  
Name Sofronio Mansalay  
Title President

Second Officer DocuSigned by:  
*Penny D. Mansalay*  
By \_\_\_\_\_  
Name Penny D. Mansalay  
Title President

**EXHIBIT A  
SCOPE OF SERVICES**

**WALKING AND MOBILE GAS (METHANE) LEAK SURVEYS**

**A. Background**

CONTRACTOR shall provide mobile gas (methane) leak surveys of the City of Palo Alto Utilities gas distribution system (mains), and walking gas leak surveys of the City's gas services, in compliance with federal Department of Transportation codes and regulations in effect throughout the term of the proposed contract. The walking gas leak surveys will cover the City's fourteen principal business districts as well as the north and south sides of the City in alternating years.

The Utilities Operations Department manages maintenance and operation of the gas distribution system. There are approximately 18,000 gas services in the distribution system. The average service length is 53 feet. The distribution system is comprised of steel, plastic polyvinyl chloride (PVC), plastic polyethylene (PE), and plastic acrylonitrile butadiene styrene (ABS) mains. Maintenance of the gas distribution system includes the annual walking and mobile gas leak surveys in accordance with Title 49 CFR Section 192.723, DOT Pipeline Safety.

The City of Palo Alto has identified fourteen principal business districts consisting of approximately 1,872 gas services.

**C. Gas Leak Survey Overview**

Each year the annual gas leak survey is comprised of four elements, a mobile survey of all of the gas mains in the distribution system, a walking survey of each gas service in either the north or south side of the City, a walking survey of each of the City's 14 Business Districts, and a re-check of any existing grade 2 or 3 gas leaks. Provided in the table below are the total number of service and meter leaks detected and abnormal operating conditions identified in the gas distribution system over the last six (6) annual surveys:

Survey Year	# of System Leaks Reported	# of Meter Leaks Reported	# of AOCs Identified
2011	51	N/A	N/A
2012	54	393	N/A
2013	43	253	375
2014	61	276	268
2015	39	256	237
2016	65	319	221

**D. Scope:**

The Contractor/Gas Leak Surveyor (GLS) shall furnish all professional services necessary to perform the following tasks. Additional required tasks specific to each survey are further described in Sections E and F:

1. Furnish all labor and equipment necessary to conduct a mobile gas leak survey of all distribution mains.
2. Conduct a mobile survey of all gas distribution mains.
3. Furnish all labor and equipment necessary to conduct a walking gas leak survey of all commercial and residential gas services, up to and including the meter sets in the fourteen principal business districts and either the north or south side of the City (in alternating years). Maps of both the north and south sides of the City are included in Attachments V and VI.
4. Conduct a walking gas leak survey of all commercial and residential gas services and meter sets, as described in (3).
5. Check detection instruments for proper operation and calibrate each instrument with a known gas sample per the manufacturer's specifications, before using the instruments to conduct the surveys. Submit proof of calibration to the Utilities Project before beginning the survey and as requested during the duration of the survey.
6. Use gas detection equipment capable of detecting the concentration of at least 50 PPM of gas in the air at any sampling point. Equipment must analyze for methane content by using a flame ionization detector. The instrument must be equipped with a visual display of concentration levels and an audible detection alarm.
7. Document any Abnormal Operating Conditions (AOCs) found during the survey on a City-provided form (Attachment I), including photographs.
8. Revisit sites as described below in section F(6)(g) on any initially inaccessible service lines and meter sets.
9. Conduct a recheck of all existing gas leaks identified on the survey maps each year.
10. Submit all completed forms to the Project Manager no later than 7:30 A.M. on the next regular business day following the day of the survey.

**E. Mobile Survey Details and Requirements:**

1. The mobile portion of the gas leak survey is conducted annually and includes all of the City's gas distribution system mains.
2. A motor vehicle provided and operated by the GLS's personnel, will be used in conducting the survey. The vehicle must be equipped with a multiple intake system of adequate length to obtain samples of air from an area at least eight (8) feet wide along the path of the survey. The survey must be conducted at speeds that allow an adequate sample to be continuously obtained by intakes as the vehicle passes over venting locations, taking into account the location of the gas main and any

adverse conditions which may exist. Adverse conditions may include heavy traffic, parked vehicles, road closures, or other obstacles that may arise on public streets. The GLS must be able to conduct the survey by accommodating such adverse conditions, or inform the Project Manager if additional aid is required.

3. Upon detection, all leak indications must be verified and classified in accordance with Table 1 at the end of this document. The spread and concentration of each leak indication must be established and the ground leak detection details entered on a ground leak survey report form (see Attachment II). The information entered on the report form must document the date and by whom the survey was conducted; and each leak shall be identified by numerical sequence, address, grade, percentage (%) or part per million (PPM) gas reading, and the location of the leak.

**F. Walking Survey Details and Requirements:**

1. The walking survey is conducted every year on alternating sides (north and south) of the City. Maps of both the north and south sides of the City are included in Attachments V and VI.
2. The entire gas distribution system is surveyed in a two (2) year cycle. In even numbered years the walking survey is conducted on the north side of the City and in odd numbered years the walking survey is conducted on the south side of the City. The 2018 walking gas leak survey (the first year of this contract) will cover the north side of the City and will include approximately 9,000 commercial and residential gas services.
3. In addition to either the north or south side of the City, the annual walking survey also includes the following fourteen principal business districts:

**Business Districts**

1. East Meadow Circle
2. Golf Course
3. St. Francis
4. San Antonio / Fabian
5. Charleston Center
6. Midtown
7. Downtown / Town & Country
8. Alma Center
9. El Camino Real
10. Stanford Shopping Center
11. VA Hospital
12. Bayshore
13. Stanford Industrial Park
14. Palo Alto Country Club

4. Each gas service, from the back of the curb, up to and including the meter set, must be surveyed.
5. The survey must be conducted at walking speeds sufficiently slow enough to allow an adequate sample to be continuously obtained by the instrument intake as it passes over venting locations. The area to be covered in performing the leak survey of gas services will be along the route of the service line from the back of the curb, up to and including the meter set.
6. Any leaks found during the walking survey must be addressed as described below:
  - a. Upon detection, all leak indications must be verified and classified in accordance with Table 1 at the end of this document. The spread and concentration of each leak indication must be established and the ground leak detection details entered on a ground leak survey report form (see Attachment II). The information entered on the report form must document when and by whom the survey was conducted; and each leak shall be identified by numerical sequence, address, grade, percentage (%) or part per million (PPM) gas reading, and leak location.
  - b. Meter leak/AOC forms supplied by the City, or a City-approved equivalent (see Attachment I), must be filled out by the GLS on all leaks found on meter sets where readings in excess of 500 PPM are registered. In the case of curb meter boxes, only leaks greater than 1000 PPM must be reported. The GLS may take the sample through the reading lid and is not required to remove the lids of curb meter boxes.
    - i. The meter leak form must be numbered consecutively and separately from the ground leaks.
    - ii. The GLS must also conduct a visual inspection of the gas riser, gas meter and the regulator for defects, corrosion and illegal grounding by other utilities (including, but not limited to, telephone and cable companies).
    - iii. The GLS must complete a City-provided Abnormal Operating Condition (AOC) Survey form (see Attachment I) for each location identified as an AOC.
    - iv. The GLS shall provide a photograph of all reported AOCs. The address of the location must be visible in the photograph.
  - c. All ground leaks and meter leaks, along with the Palo Alto Meter # from the meter, must be described and noted on the City-provided Map Book page at the appropriate address (see Attachment IV).

- i. All addresses where leaks are found must be verified by checking the physical address on the building.
  - ii. In cases where there are inconsistencies between the physical addresses and the address in the Map Books, the address on the building will be considered correct and must be noted on the Map Book and on the Survey Report Form.
- d. Each service must be marked with a red check (✓) on the Map Book page and may be entered on the City-provided reporting format (spreadsheet or database) to report the data electronically.
- e. Any service not checked will be considered not surveyed and must be re-surveyed in order to adequately perform the tasks required in this Agreement (see Section (g) for additional information on completing surveys).
- f. *"All meter sets and services surveyed"* must be written on each Map Book page surveyed, as well as the date surveyed, and the GLS's name (see Attachment IV).
- g. A location is considered completed and fully surveyed only when the GLS has tested the service line and meter set for gas leaks, and verified, classified and documented the findings. Every reasonable effort should be made to complete the survey upon the initial site visit. If the GLS is unable to conduct or complete the survey at any location, the following actions should be taken:
  - i. The "Special Instructions" section of the Gas Meter Leak/AOC Survey Tag shall be completed (see Attachment I). The GLS must indicate on the form the reason the survey was not completed at the location (locked gate, dog, etc.).
  - ii. A City-provided door hanger (see Attachment III) must be attached to the door. The door hanger will advise the resident to contact the City to schedule a date/time for the survey to be conducted on the service/meter.
  - iii. If the GLS is unable to access a location to conduct a complete survey, up to two additional attempts must be made. The Project Manager will assist in setting up appointments with residents for the two additional attempts.
  - iv. The GLS must be available at the conclusion of each survey to work with the City's meter reading group to access any locations where the GLS was unable to complete the survey due to inaccessibility or any other reason.

- v. If, after an initial visit and two additional visits (all must be documented) as arranged by the Project Manager, the site is still inaccessible, the City will consider the contractor's obligation fulfilled and eligible for payment.

### **G. Re-survey of Existing Grade 2 and 3 Gas Leaks**

A list of existing distribution system Grade 2 and 3 Gas Leaks will be provided to the GLS each year. Leaks should be re-surveyed and reassessed annually and a revised Leak Survey form (Attachment II) provided to the Project Manager. Leak resurveying is a time sensitive task and department implemented timelines must be strictly observed.

As of July 20, 2017 there were Eighty (80) existing gas leaks (Grade 2 or 3) identified in the gas distribution system. Known leaks are located throughout the City and are identified on the Map Books with a red colored asterisk (\*). The specific locations of existing leaks will be provided upon award of the contract.

### **H. Overtime**

No overtime or weekend work will be allowed. The work day is between 6:30 AM and 4:00 PM, not to exceed 80 hours in a two week period.

### **I. General Reporting Requirements**

1. The GLS must immediately report all leaks of a hazardous nature (Grade 1) to Utility Dispatch at (650) 329-2579, to have the leak recorded in the dispatch log and to dispatch a Utility Field Services Representative to the location. The GLS must remain on site until Utility staff arrives.
2. Completed Survey Report forms, Gas Meter Leak / AOC Survey forms, and Map Book pages must be delivered to the City no later than 7:30 A.M. on the next regular work day following the survey, unless other arrangements are specifically identified by the City.

### **J. Qualifications**

1. In compliance with the Department of Transportation Operation Qualification Guidelines listed in Title 49 CFR 192 and 195 and City of Palo Alto Utilities Gas Operation Qualification Plan, contractors who perform covered task work must be qualified to perform such work according to the City's OQ Plan. Where applicable, the City will require contractors to provide copies of their personnel operator qualifications, evaluator qualifications, including Department of Transportation Gas Operator qualification certifications/records, and Operator Qualification Plan. Furthermore, contractors must be able to recognize and react

appropriately to Abnormal Operating Conditions (AOCs) that may indicate a dangerous situation or a condition exceeding design limits.

- 2. Contractors must maintain qualification records for any individual who performs Covered Tasks and for a minimum period of 5 years after the individual is no longer performing Covered Tasks, as defined in Section 1.8, Record Keeping, of City of Palo Alto Utilities Gas Operator Qualification Plan. The City has the right to review such records and receive copies upon request for up to 5 years after the completion of the work performed under this Agreement.**

#### **K. Drug Testing Requirements**

Contractors whose employees perform operating, maintenance, or emergency response functions on natural gas pipelines are subject to the provisions of Title 49 CFR Part 199, "Drug and Alcohol Testing", including the requirements for drug testing, record keeping, education, and training. It is the responsibility of the Contractor to ensure that its affected employees are given drug testing in accordance with the regulations. **Contractor shall submit a copy of its "Drug and Alcohol Testing Policy" before performing any work under this Agreement.**

#### **L. Final Report**

A final report, which provides documentation of the entire survey and the results of such survey, shall be prepared by the Contractor. One (1) hard copy of the report shall be submitted to the City within thirty (30) days of the survey completion date. An electronic copy of the report shall be provided if available.

#### **M. Payment**

Payment for services provided shall only be made upon receipt of a complete final report documenting the full completion of the mobile and walking gas leak survey, or documentation of inaccessible sites, if any, including all required site visits, and a properly prepared invoice.

See next page for Table 1 – Identification of Leak Grades

Table 1

## Grading and Identification of Gas Leaks

Grade	Definition	Priority of Leak Repair	Examples
3	Non-Hazardous – Leaks that are non-hazardous at the time of detection and can reasonably be expected to remain non-hazardous.	Leaks will be scheduled for re-evaluation during the next scheduled leakage survey or within 15 calendar months of detection, whichever occurs first, until the leak is re-graded or no longer results in a reading.	<i>Grade 3</i> leaks may include, but are not limited to: <ol style="list-style-type: none"> <li>1. A leak that naturally vents to the atmosphere.</li> <li>2. Any indication of gas &lt; 4% gas-in-air (80% Low Explosive Level LEL) in small gas associated substructures such as valve boxes.</li> <li>3. A leak with minimal migration.</li> <li>4. Any indication of gas &lt;1% gas-in-air (20% LEL) in a confined space.</li> </ol>
2	Intermediate - Leaks that are not hazardous at the time of detection, justify scheduled repair based on probable future hazard.	Leaks should be repaired within one year but no later than 15 months from the date reported. In determining the repair priority, criteria such as the following should be considered: <ol style="list-style-type: none"> <li>1. Amount of and migration of gas.</li> <li>2. Proximity of gas to buildings and subsurface structures.</li> <li>3. Extent of pavement.</li> <li>4. Any leak, which in the judgment of company personnel at the scene, is of sufficient magnitude to justify schedule repair</li> </ol>	<i>Grade 2</i> leaks may include, but are not limited to: <ol style="list-style-type: none"> <li>1. Any leak requiring action prior to any adverse changes in venting conditions.</li> <li>2. Any leak that would likely migrate into or under buildings.</li> <li>3. Any indication of gas <math>\geq 2\%</math> gas-in-air (40% LEL) under a sidewalk in a wall-to-wall paved area that is not a Grade 1 leak.</li> <li>4. Any indication of gas <math>\geq 5\%</math> gas-in-air (100% LEL) under a street in a wall-to-wall paved area.</li> <li>5. Any indication of gas &lt; 4% gas-in-air (80% LEL) in small substructures associated with gas facilities that would likely migrate creating a probable future hazard.</li> <li>6. Any indication of gas between 1% and 4% gas-in-air (20% - 80% LEL) in a confined space.</li> </ol>
1	Hazardous - Leaks that pose an immediate hazard to persons or property and requires continuous action until conditions are no longer hazardous.	Prompt remedial action must be undertaken for leaks classified as hazardous. Prompt remedial action may include, but not be limited to the following: <ol style="list-style-type: none"> <li>1. Implementation of the CPAU Emergency Operating Plan.</li> <li>2. Evacuation of buildings.</li> <li>3. Blocking off/barricading an area.</li> <li>4. Rerouting traffic.</li> <li>5. Eliminating ignition sources.</li> <li>6. Venting the area and/or buildings.</li> <li>7. Stopping the flow of gas by closing valves or other means.</li> <li>8. Notifying Fire, Police and/or other emergency responders.</li> </ol>	<i>Grade 1</i> leaks may include, but are not limited to: <ol style="list-style-type: none"> <li>1. Any gas leak that can be seen, heard, or felt.</li> <li>2. Any leak which, in the judgment of company personnel at the scene, is considered as an immediate hazard.</li> <li>3. Escaping gas that has ignited.</li> <li>4. Any indication of gas that has migrated into or under a building.</li> <li>5. Any indication of gas at the outside wall or where gas would likely migrate to an outside wall due to surface conditions or cover and/or subsurface structures or a building.</li> <li>6. Any indication of gas <math>\geq 4\%</math> gas-in-air (80% LEL) in a confined space.</li> <li>7. Any indication of gas <math>\geq 4\%</math> gas-in-air (80% LEL) in small substructures not associated with gas facilities where gas would likely migrate to the outside wall of a building.</li> <li>8. All leaks inside a building(s) <math>\geq 1.5\%</math> gas-in-air concentration.</li> <li>9. All leaks inside enclosures containing electrical equipment.</li> </ol>

**EXHIBIT B**  
**SCHEDULE OF PERFORMANCE**

CONTRACTOR shall perform the Services according to the following schedule:

1. Mobile Survey to be completed during October and November of each year.
2. Walking Survey to be completed by December of each year, with the start date to be determined by the City and communicated to Contractor each year, typically by June.
3. Re-survey of all existing Grade 3 leaks to be completed before the annual review date during each year of the Agreement. (Annual review dates will be provided by the City and communicated to Contractor annually. The annual review date for 2018 is currently between April 6<sup>th</sup> and May 15<sup>th</sup>).

## EXHIBIT C SCHEDULE OF FEES

CITY shall pay CONTRACTOR according to the following rate schedule. The maximum amount of compensation to be paid to CONTRACTOR, including both payment for services and reimbursable expenses, shall not exceed the amounts set forth in Sections 5 and 6 of the Agreement. Any services provided or hours worked for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to CITY.

<b>Total Year 1</b>			
	Cost per Service	Estimated # of Services	Total
Walking Survey	\$5.70	9,000	\$51,300.00
Mobile Survey	With business districts		\$32,000.00
Grade 2 & 3 Re-checks	\$24.50	Max 100	\$2,450.00
Grand total for year 1			\$85,750.00

<b>Total Year 2</b>			
	Cost per Service	Estimated # of Services	Total
Walking Survey	\$5.75	9,000	\$51,750.00
Mobile Survey	With business districts		\$32,400.00
Grade 2 & 3 Re-checks	\$24.50	Max 100	\$2,450.00
Grand total for year 2			\$86,600.00

<b>Total Year 3</b>			
	Cost per Service	Estimated # of Services	Total
Walking Survey	\$5.81	9,000	\$52,290.00
Mobile Survey	With business districts		\$32,800.00
Grade 2 & 3 Re-checks	\$24.75	Max 100	\$2,475.00
Grand total for year 3			\$87,565.00

<b>Total Year 4</b>			
	Cost per Service	Estimated # of Services	Total
Walking Survey	\$5.86	9,000	\$52,740.00
Mobile Survey	With business districts		\$33,200.00
Grade 2 & 3 Re-checks	\$24.75	Max 100	\$2,475.00
Grand total for year 4			\$88,415.00

<b>Total Year 5</b>			
	Cost per Service	Estimated # of Services	Total
Walking Survey	\$5.92	9,000	\$53,280.00
Mobile Survey	With business districts		\$33,600.00
Grade 2 & 3 Re-checks	\$25.00	Max 100	\$2,500.00
Grand total for year 5			\$89,380.00



## EXHIBIT D INSURANCE REQUIREMENTS

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

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

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

- I. INSURANCE COVERAGE MUST INCLUDE:
  - A. A PROVISION FOR A WRITTEN THIRTY 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. CONTACTOR MUST SUBMIT CERTIFICATE(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 INSURED"

A. PRIMARY COVERAGE

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

B. CROSS LIABILITY

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

C. NOTICE OF CANCELLATION

1. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR ANY REASON OTHER THAN THE NON-PAYMENT OF PREMIUM, THE CONTRACTOR 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 CONTRACTOR 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](http://www.cityofpaloalto.org/gov/depts/asd/planet_bids_how_to.asp)