



# City of Palo Alto

## City Council Staff Report

(ID # 11368)

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**Report Type: Consent Calendar**

**Meeting Date: 6/1/2020**

**Summary Title: Contract Approval with Magellan for Phase I of Fiber Network Expansion**

**Title: Approval and Authorization for the City Manager or Designee to Execute a Professional Services Agreement With Magellan Advisors, LLC, in a Not-to-Exceed Amount of \$214,236 for Phase 1 of the Fiber Network Expansion Plan**

**From: City Manager**

**Lead Department: Utilities**

### **Recommendation**

Staff recommends that Council approve and authorize the City Manager, or his designee, to execute a Professional Services Agreement (C20176363, Attachment A) with Magellan Advisors, LLC (Magellan), in a total not-to-exceed amount of \$212,511 for Phase 1 (of 4 phases) for the Planning and High Level Design of Fiber Network Expansion to Support Advanced Metering Infrastructure (AMI), Supervisory Control and Data Acquisition (SCADA), and Internal Wireless Communication Network; which includes \$193,192 for planning and high-level design services and up to \$19,319 for additional unforeseen work.

### **Executive Summary**

On June 24, 2019, Council approved staff's recommendation to re-issue the Fiber-to-the-Node (FTTN) Request for Proposal (RFP) to begin a multi-phase fiber network expansion to support Advanced Metering Infrastructure (AMI), Supervisory Control and Data Acquisition (SCADA) Systems, and wireless communication technologies for City staff. In addition to AMI and SCADA, the City is pursuing a comprehensive fiber expansion strategy from an integrated cross-utility perspective. The overall objective of this strategy is to evaluate the feasibility of integrating fiber network expansion into other ongoing utility capital improvement projects and programs, if practical, to fully leverage the City's fiber asset. This proposed approach provides a springboard for Fiber-to-the-Premises (FTTP), because the City is adding new telecommunication infrastructure that is designed to minimize the incremental cost to extend fiber to the premises.

The Professional Services Agreement with Magellan recommended by staff is Phase 1 of the multi-phase fiber optic network expansion plan, which covers the planning and high-level

design work. Staff recommends awarding all four phases to Magellan; however, agreements covering each phase must be approved, with the work completed and accepted by the Council before the City decides whether to proceed with the next phase.

## **Background**

### Reissuance of the Fiber-to-the-Node Request for Proposal to Align Fiber Expansion with AMI

On August 21, 2017, Council directed staff to engage a management consultant to develop a business case, prepare a high-level network design, evaluate financial models for alternative use cases, and identify potential partners and/or service providers for a municipal-provided Fiber-to-the-Node (FTTN) network ([Staff Report #7616](#)).

A “*Fiber-to-the-Node*” (FTTN) network RFP was issued on May 24, 2018, to retain a management consultant for professional services to develop a business case, financial model and design options to build an FTTN network to multiple neighborhood nodes, assess local market conditions, identify potential public-private partnerships, and develop City ordinances that could lower fiber construction costs and incentivize fiber development. The RFP noted that subject to the positive outcome of the above-mentioned tasks, the City would issue a second RFP for preparation of detailed designs and cost estimates for a FTTN network as the first phase toward a citywide FTTP network.

On November 19, 2018, the Council accepted the Smart Grid and Technology Implementation Plan and directed staff to align fiber network expansion with the Advanced Metering Infrastructure (AMI) implementation plan ([Staff Report #9780](#)).

On June 24, 2019, staff recommended to Council that future fiber network planning employ a fundamental design principle of fully leveraging and expanding the fiber network to support a communications platform for AMI, Supervisory Control and Data Acquisition (SCADA) systems, emerging Smart City initiatives (e.g. traffic management, smart streetlights, parking garage sensors, data collection) and deployment of City operations wireless technologies dependent on fiber to support Public Safety and Utilities staff working in the field to enhance the delivery of essential City services. For SCADA, fiber is the optimal communication medium because of information security, reliability, transmission speed, and bandwidth capacity (e.g. security cameras).

In addition to developing an AMI and SCADA communications platform, the City’s objective is to pursue a comprehensive fiber expansion strategy from an integrated and scalable cross-utility perspective. This strategy is focused on evaluating the feasibility of integrating fiber network expansion into other ongoing utility capital improvement projects and programs, if practical, to fully leverage the City’s fiber asset. This proposed approach provides a springboard for FTTP because the City is adding new telecommunication infrastructure is designed to minimize the incremental cost to extend fiber and wireless communications infrastructure to residential and commercial areas. With a larger and more geographically spread out fiber network, this could incentivize Internet Service Providers (ISPs) to form a public-private partnership with the City to

provide broadband connectivity and other current and future services delivered over high-capacity fiber and wireless networks.

Coordination of FTTP with electric and natural gas utility planning enables an integrated approach to strategies such as building electrification and electric vehicle support infrastructure at the scale of neighborhood blocks and potentially entire neighborhoods. Utility planning at this scale enables consideration of viable transitions to all-electric services and potential termination of natural gas services, should neighborhood-level agreement to pursue conversion be achievable.

Council approved staff's recommendation to cancel the FTTN network RFP and authorized the reissuance of a new RFP for phased fiber network expansion ([Staff Report #9620](#)).

### **Discussion**

On September 10, 2019, RFP Number 176363 "*Fiber Network Expansion*" was published on PlanetBids to solicit proposals from qualified consulting firms to develop a multi-phase fiber-optic expansion plan. The RFP was also e-mailed to over forty (40) telecommunications and utility consulting and design/engineering firms and was listed on two websites that publish fiber and broadband RFPs. The RFP submittal deadline was October 21, 2019, but was extended to November 8, 2019.

Proposals were submitted by four (4) firms and ranged in cost from \$764,000 to \$3.2 million. The lowest-cost Proposer withdrew from consideration prior to the scheduled demonstration interview date due to a pricing error in their submittal. Demonstrations were provided by Magellan Advisors, LLC; Burns & McDonnell Engineering Company, Inc., and Black & Veatch Management Consulting, LLC. The Proposers provided an overview of their proposed strategy, systems solutions, implementation methodology, schedule, plan, and budget for each of the four phases in the scope of work. The Proposers also presented previous experience and approaches with similar projects and solutions in other municipalities and government agencies.

The four (4) phases of the Fiber Network Expansion plan in the RFP scope of work are as follows:

**Phase 1** seeks a high-level design and cost estimate for fiber expansion to support Advanced Metering Infrastructure (AMI), Supervisory Control and Data Acquisition (SCADA), and wireless communication for City field staff and other City services;

**Phase 2** seeks a detailed engineering design and cost estimate for fiber expansion to support AMI, SCADA, and wireless communication for City field staff and other City services;

**Phase 3** seeks a business case and high-level design for a citywide FTTP network. The FTTP network and high-level design in the business case should expand on the fiber network for AMI, SCADA and wireless communication; and

**Phase 4** seeks a detailed engineering design, cost estimate and a phased deployment approach for FTTP.

The staff panel evaluated the proposals in two steps based on the written proposals (maximum 60 points) and the demonstration (maximum 40 points). The evaluation criterion of the written section included completeness of proposal, effectiveness of solution, proposers experience, cost, and municipal experience. The evaluation criterion of the demonstration was proposed strategy, implementation methodology, schedule and similar project experience.

Among the three (3) vendor responses to the RFP, Magellan’s written proposal and demonstration aligned most closely with the City objectives and the tasks identified in the RFP scope of work. Magellan’s written proposal and the demonstration interview compared most favorably and added more value than the proposals submitted by the other Proposers. staff recommends entering into a contract with Magellan for all four phases; however, each phase must be approved, with the work completed and accepted by the Council, before the City decides whether to proceed with the next phase. For example, upon successful completion of Phase 1, the City may authorize Magellan to continue with Phase 2. As phases are completed, staff will also seek Council authorization for funding the subsequent phases (2 through 4).

Magellan provides broadband and engineering planning services to municipal utilities, with subject matter experts in grid modernization and utility communications and municipal broadband development. In its 15-year history, Magellan has planned, engineered and managed construction and inspections for over fifty (50) municipal and utility fiber networks, similar in scope to the City’s project. Magellan also engineers these networks for FTTP and designed and built FTTP networks reaching over 1 million homes and businesses with fiber.

Separate RFPs will be issued for construction and construction management services if approved by the City Council for implementation in the future. Magellan will be precluded from bidding on future construction and construction management services solicitation RFPs due to conflict of interest prohibitions in California’s Government Code Section 1090. The prohibitions were communicated to the Proposers in the RFP and confirmed by staff in the demonstration interview.

Proposed Duration of Project:	27-39 Months
Number of Solicitations E-mailed:	Forty (40)
RFP Submittal Deadline	October 21, 2019; extended to November 8, 2019
Pre-proposal Teleconference	September 23, 2019
Total Days to Respond:	Forty-three (43) Business Days
Number of Responses Received:	Four (4)

Number of Vendors Interviewed:	Three (3)
Vendor Selected:	Magellan Advisors
Fee Range:	\$2,351,366 - \$3,338,302

### Resource Impact

Funding for Phase 1 of the fiber network expansion plan is available in the FY 2020 Electric and Fiber Budget. The funding allocation below is based on the tasks associated with the electric and fiber utilities.

Phase 1 Tasks:	Electric	Fiber	Total
1. Asset & Survey Assessment		74,760	74,760
2. High Level Design	49,350		49,350
3. High Level Cost Estimates	16,800		16,800
4. Report & Presentation	10,500		10,500
5. Local Ordinances		28,350	28,350
6. Additional Services (if needed)	9,660	9,660	19,319
Travel	6,716	6,716	13,432
<b>Total Phase 1</b>	<b>\$93,026</b>	<b>\$119,486</b>	<b>\$212,511</b>

Staff re-negotiated travel expenses with Magellan which reduced travel budget by \$19,221 and is reflected in the contract award amount.

### Timeline

The estimated timeline, cost and major activities of the four phases are outlined below. Each individual phase must be completed and approved by City Council before the decision is made to proceed with the next phase. If approved, a contract amendment will be issued for the next phase including funding appropriation.

Phase	Duration	Cost	Contingency	Total	Major Activities
1	4 - 6 Months	193,192	19,319	212,511	Asset and Survey Assessment; High Level Design and Cost for Fiber or AMI, SCADA and Wireless Network; Local Ordinances

2	5 - 9 Months	478,734	47,873	526,607	Detailed Design and Costing Fiber for AMI, SCADA and Wireless Network; Construction Packages; Bid Evaluations
3	6 - 9 Months	282,144	28,214	310,358	FTTP Business Case and High Level Design; Market Assessment; Community Survey; Evaluate Public Private Partnership
4	12 - 15 Months	1,499,569	149,957	1,649,526	Detailed Design and Costing FTTP; Construction Packages; Bid Evaluations
	<b>27 - 39 Months</b>	<b>2,453,639</b>	<b>245,364</b>	<b>2,699,003</b>	<b>Total for four phases</b>

### Stakeholder Engagement

Staff has worked constructively with the Fiber and Wireless Citizen Advisory Committee (CAC) since its appointment by the City Manager in 2014. Notable accomplishments of the CAC include working with staff and a consultant to prepare the 2015 Fiber-to-the-Premises Master Plan and Wireless Network Plan; preparing a Request for Information (RFI) in 2016 for a public-private partnership to build a citywide FTTP network; and providing input for the 2018 FTTN network RFP.

With this proposed multi-phase and integrated cross-utility approach, the Utilities Advisory Commission (UAC) will become the forum for community participation, outreach and oversight for electric undergrounding, electric system rebuilds, fiber system rebuilds, gas main replacement, electrification, fiber, and wireless planning. The UAC will facilitate recommendations to the Council and create the best opportunity to efficiently leverage the City's fiber network with other ongoing utility capital improvement projects, environmental sustainability goals and public benefit programs. Each individual phase must be completed and approved by City Council before the decision is made to proceed with the next phase. Prior to implementation of subsequent phases, staff will return to Council with the respective tasks, costs and contracts for approval.

### Environmental Review

Approval of the attached contract for design services and development of cost estimates for the fiber network expansion project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15306 (Information Collection) of the CEQA Guidelines because the services consist of data collection, research, and evaluation as part of a study leading to an action that the City has not yet approved or funded. The City will conduct an environmental assessment of subsequent project phases, as needed, prior to implementation.

### Attachments:

- Attachment A: C20176363 Magellan

**CITY OF PALO ALTO CONTRACT NO. C20176363**

**AGREEMENT BETWEEN THE CITY OF PALO ALTO AND  
MAGELLAN ADVISORS LLC. FOR PROFESSIONAL SERVICES**

This Agreement is entered into on this 18th day of May, 2020, (“Agreement”) by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and **MAGELLAN ADVISORS LLC.**, a Florida limited liability company, located at 450 Alton Road 1402, Miami, FL 33139 (“CONSULTANT”).

**RECITALS**

The following recitals are a substantive portion of this Agreement.

- A. CITY intends to initiate phase one of multi-phase fiber optic network expansion plan (“Project”) and desires to engage a consultant to conduct a fiber network asset assessment; develop a high-level fiber network design and cost estimate that incorporates AMI, SCADA and wireless applications; and draft local ordinances to reduce construction costs and implementation timeline associated with a fiber network expansion 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.

**SECTION 2. TERM.**

The term of this Agreement shall be from the date of its full execution through May 18, 2021 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 One Hundred Ninety Three Thousand One Hundred Ninety Two Dollars (\$193,192.00). CONSULTANT agrees to complete all Basic Services, including reimbursable expenses, within this amount. In the event Additional Services are authorized, the total compensation for Basic Services, Additional Services and reimbursable expenses shall not exceed Two Hundred Twelve Thousand Five Hundred Eleven Dollars (\$212,511.00). 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.**

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.

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 John Honker as the Project Executive to have supervisory responsibility for the performance, progress, and execution of the Services and Dan Howick as the project engineer 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 Todd Henderson, Information Technology Department, Project Services Division, 250 Hamilton Ave, Palo Alto, CA 94301, Telephone: (650) 329-2342. 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 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**

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.

#### **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.

**CONTRACT No. C20176363 SIGNATURE PAGE**

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**

**MAGELLAN ADVISORS LLC.**

\_\_\_\_\_  
City Manager

**Officer 1**

By:   
Name: John Honker

Title: President

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney or designee

**Officer 2**

By:   
Name: Courtney Violette

Title: Chief operating officer

Attachments:

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

## **EXHIBIT “A” SCOPE OF SERVICES**

### **Statement of Purpose**

This Statement of Work (SOW) specifies in detail services for Magellan Advisors, LLC to begin Phase 1 of the City’s anticipated multi-phase fiber optic network expansion plan. In conducting its work on Phase 1, Consultant will prepare a high-level design and cost estimate to align the City’s existing 49-route mile dark fiber optic backbone network (fiber network) with the City’s AMI, Smart Grid system implementation plan, SCADA communication and internal wireless communication systems for City field staff and other City services.

### **BACKGROUND**

City of Palo Alto Utilities (CPAU), a department of the City, has operated and maintained the existing fiber network for more than twenty years. The network serves a variety of users with more than 200 dark fiber service connections supporting the communication needs of City facilities, critical municipal infrastructure, large commercial businesses and anchor institutions such as schools and libraries.

CPAU is responsible for implementing the AMI and Smart Grid System Plan and managing the existing SCADA system. Additionally, CPAU and the City’s information Technology Department are responsible for implementing internal wireless communication systems which utilize a portion of the City’s dark fiber network.

### **Scope of Work**

In consultation with and under the direction of City staff, CONSULTANT will complete the following tasks:

### **Phase 1 High-Level Design and Cost Estimate for AMI, SCADA, and Wireless Communications for City Field Staff and Other City Services**

#### **Phase 1 Deliverables Overview:**

1. Working with all sources of information and data for the existing fiber optic network including information from the 2016 audit, reconcile the information by:
  - a. Performing a review of as-built project files, engineering data on fiber connections, and fiber network maps to determine individual fiber usage;
  - b. Providing updated records to reflect audited data;
  - c. Providing recommendations for ESRI GIS Platform information.
2. Prepare a high-level design and cost estimate of a fiber optic communication system for AMI, SCADA, and wireless communications for Public Safety, Public Works and Utilities field staff.
3. Prepare a high-level cost estimate for an expansion option that is scalable to build a citywide FTTP network.
4. Prepare a final report for this phase that will include presentations by the selected consultant(s) before the Utilities Advisory Commission (UAC) by the third quarter of 2020 and for the City Council at a public meeting by the fourth quarter of 2020.

5. Prepare draft local ordinances.

### **Phase 1 Additional requirements and deliverable details:**

#### **A. Section 1 (Fiber Reconciliation) deliverables:**

Working with all sources of information and data on the fiber optic network including information from the 2016 audit, reconcile the information to determine the most likely fiber path for each existing customer connection including:

1. Identification of backbone fiber splicing at each node
2. Identification of service drop splicing at each node
3. After full review of the as-built documentation and data available, create a list of all fiber connection discrepancies or missing data as it relates to the existing network connections and routing. Any fiber testing, opening of Splice cases, trays fiber panels or proofing of conduit shall be completed by a 3<sup>rd</sup> party under a separate agreement.
4. Update GIS mapping to reflect any changes or corrections identified.

Task 1. a - Perform review of as-built project files, engineering data on fiber connections, and fiber network maps to determine individual fiber usage:

Execute the proposed plan by reviewing data that identifies at each node or fiber mid-split how fibers are spliced in the field

1. Identify splice assignments in each node/cable mid-split. Compare to available fiber OTDR test results for accuracy. Deliverable includes updated spreadsheet of fiber strand routing based on audit of existing data. All data listed containing discrepancies or that cannot be verified by existing data will be noted for verification by a 3<sup>rd</sup> party.
2. Identify fiber allocation data of each fiber and how it relates to connection and/or termination point. Deliverable includes audited spreadsheet of each end connection and its location. All data listed containing discrepancies or that cannot be verified by existing data will be noted for verification by a 3<sup>rd</sup> party.
3. Where information is available, identify connections by fiber tray, splice closure, etc.

Task 1. b - Provide updated records to reflect audited data:

Document all findings and present in formats that clearly illustrates updated audited information.

1. Provide audited high-level strand map of fiber allocation and routing – noting data discrepancies.
2. Provide audited spreadsheet of fiber allocation and assignments including name and address and service order number (if available), noting data discrepancies.
3. Provide data in a format that can be easily downloaded into CPAU's GIS.

Task 1.c – Esri GIS Platform information:

Provide recommendations for Esri GIS platform that can be used by CPAU to meet fiber optic data management, project preliminary design and fiber allocation needs.

#### **B. Section 2 (high-level design and cost estimate) deliverables:**

Consultant will prepare a high-level design and cost estimate for engineering and construction of a fiber network to support future AMI/Smart Grid/SCADA and wireless communications, making use of existing city-owned fiber optic infrastructure where feasible.<sup>1</sup> The fiber network must support the advanced metering communications platform, backhaul for Smart Grid and SCADA communications, including ensuring security requirements for critical utility and public safety infrastructure. This high-level design and cost estimate for fiber expansion should include the layout of aerial and underground fiber routes (i.e. where fiber needs to go)<sup>2</sup>, connection points and estimated fiber counts for the AMI, Smart Grid system, SCADA system and wireless communications. The design should evaluate the integration of the existing dark fiber backbone with potential service point locations for AMI collectors (approximately 10 to 20 access points), possible electric distribution system SCADA equipment (approximately 100 to 200 switches), and identification of potential locations for wireless access points on wood utility poles, streetlight poles and other City-owned structures and properties.<sup>3</sup> This high-level design and cost estimate should also include the layout and use of repurposed abandoned gas pipelines, if deemed useable/appropriate.

This high-level design and cost estimates should also include wireless communication options for the City's Office of Emergency Services, Fire and Police Departments, Public Works and Utilities, along with remote monitoring of critical infrastructure in the Palo Alto foothills and railroad crossings, in addition to support of future Smart City applications or other City uses such as traffic and parking sensors, streetlight controls, and microgrid controls.

### **C. Section 3 (expansion option) deliverables:**

In anticipation of the work in Phase 3 of the City's fiber expansion plan (business case and high-level design for fiber-to-the-premises), the Phase 1 design and cost estimate must consider and incorporate design, layout, equipment and pathways to support the City's long-term goal to build a citywide FTTP network (i.e. node placement, cable quantities, construction methods, pole loading calculations, system topology, etc.). If the City proceeds with Phase 3, the Consultant would be expected to prepare an additional high-level cost estimate of the incremental cost to construct an FTTP network as an expansion of the fiber network for AMI implementation, SCADA and wireless communications for Public Safety, Utilities and Public Works field staff.

Under a non-disclosure agreement, the City will provide key infrastructure data to prepare this Phase 1 estimate as listed below:

- Addresses
- Streets
- Right of way easements

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<sup>1</sup> The City's existing dark optical fiber backbone is 49-route miles of mostly 144- or 288- count single-mode fiber, primarily located in downtown Palo Alto and several business parks (e.g. Stanford Business Park). A fiber optic backbone map will be provided to the selected consultant(s).

<sup>2</sup> The high-level network design should consider the possibility of using abandoned gas pipelines for fiber routes. Abandoned gas pipelines were not considered in the City's 2015 *Fiber-to-the-Premises Master Plan* (58 percent of Palo Alto has abandoned gas pipes in residential neighborhoods and commercial zones).

<sup>3</sup> The City issued an RFP for a *Public Safety Wireless Mobile Network* in 2017. This RFP was for a "proof of concept pilot" and no bids were received. Elements of this RFP may provide relevant information for the placement of fiber-connected wireless access points.

- City boundaries
- Parcels or lot lines
- Utility poles
- Streetlight poles
- Overhead strand (guys and anchors): City-owned, operated or controlled
- Existing underground utility routes
- Abandoned natural gas pipelines
- Overlay of existing underground and abandoned natural gas pipelines with existing fiber network
- Manholes
- Pavement Condition Index score by street
- Zoning
- Building footprint
- Existing spare conduit available
- Existing dark fiber available
- Infrastructure maintenance plan (road and power)
- Potential Central Office/Hut/Cabinet sites by address

**D. Section 5 (Local Ordinances) deliverables:**

- a) Prepare draft ordinances as directed by City staff with the intention of reducing construction costs and implementation time associated with a fiber network expansion. Potential ordinances may include:
  - Dig Once
    - Include a review of existing City of Palo Alto Municipal Code provisions governing *Third Party Coordination in the Public Rights-of-way* and *Joint Trench Coordination in Underground Districts*
  - One Touch Make Ready
  - Multi-unit Housing Access
  - Microtrenching (the inclusion of microtrenching in a draft ordinance will depend on the outcome of the evaluation of construction methods in consultation with the Public Works and Utilities Departments);
- b) Consultant will prepare draft ordinances for review and comment by staff in the City Attorney's office, allocating sufficient time for editing and revision based on attorney comments. Draft ordinances must be suitable for adoption by the City Council, meaning that they work in concert with the City's infrastructure, municipal code requirements, and network buildout needs.

**EXHIBIT “B”  
SCHEDULE OF PERFORMANCE**

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

Milestones	No. of Days/Weeks	Completion From NTP
1. Task 1 – Asset Assessment & FMS Guidance	7-9 weeks	
2. Task 2 – High Level Design	4-6 weeks	
3. Task 3 – High Level Costs Estimate	2-3 weeks	
4. Task 4 – Report, Presentation & Approval Process	1-2 weeks	
5. Task 5 – Draft Local Ordinances	2-4 weeks	

**EXHIBIT “C”  
COMPENSATION**

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

CONSULTANT shall perform the tasks and categories of work as outlined and budgeted below. The CITY’s Project Manager may approve in writing the transfer of budget amounts between any of the tasks or categories listed below provided the total compensation for Basic Services, including reimbursable expenses, does not exceed \$193,192 and the total compensation for Additional Services does not exceed \$19,319.

<b>BUDGET SCHEDULE</b>	<b>NOT TO EXCEED AMOUNT</b>
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Phase 1

Task 1	\$74,760
<ul style="list-style-type: none"><li>• Working with all sources of information and data on the fiber optic network including information from the 2016 audit, reconcile the information to:<ul style="list-style-type: none"><li>a. Perform a review of as-built project files, engineering data on fiber connections, and fiber network maps to determine individual fiber usage.</li><li>b. Provide updated records to reflect audited data.</li><li>c. Provide recommendations for ESRI GIS Platform information.</li><li>d. Provide advice on the appropriate Fiber Management System (FMS) for the City.</li></ul></li></ul>	
Task 2	\$49,350
<ul style="list-style-type: none"><li>• Prepare a high-level design and cost estimate of a fiber optic communication system for AMI, SCADA, and wireless communications for Public Safety, Public Works and Utilities field staff.</li></ul>	
Task 3	\$16,800
<ul style="list-style-type: none"><li>• Prepare a high-level cost estimate for an expansion option that is scalable to build a citywide FTTP network.</li></ul>	
Task 4	\$10,500
<ul style="list-style-type: none"><li>• Prepare a final report for this phase that will include presentations by the selected consultant(s) before the Utilities Advisory Commission (UAC) by the third quarter of 2020 and for the City Council at a public meeting by the fourth quarter of 2020.</li></ul>	
Task 5	\$28,350
<ul style="list-style-type: none"><li>• Draft local ordinances.</li></ul>	

Sub-total Basic Services	\$179,760
Reimbursable Expenses	\$13,432
Total Basic Services and Reimbursable expenses	\$193,192
Additional Services (Not to Exceed)	\$19,319
Maximum Total Compensation	\$212,511

**REIMBURSABLE EXPENSES**

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

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

All requests for payment of expenses shall be accompanied by appropriate backup information. All expenses shall be approved in advance by the CITY’s project manager.

**ADDITIONAL SERVICES**

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

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**EXHIBIT “C-1”  
SCHEDULE OF RATES**

**Hourly Rate for Additional Services**

Job Categories	Hourly Rate
Project Executive	\$210.00
Sr. Consultant	\$210.00
OSP Design Management	\$210.00
Broadband Designers	\$210.00
GIS Technicians	\$210.00
Construction Management	\$210.00

**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:</b> 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. CONTACTOR 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](HTTP://WWW.CITYOFPALOALTO.ORG/GOV/DEPTS/ASD/PLANET_BIDS_HOW_TO.ASP)**