

AGREEMENT TO SUPPLY ENGINEERING SERVICES

This agreement for wastewater system assessment services (“Agreement”) is made and entered in this 16th day of July, 2013 (“Effective Date”), by and between the City of Redlands, a municipal corporation (“City”) and URS Corporation, dba URS Corporation Americas (“Consultant”). City and Consultant are sometimes individually referred to herein as a “Party” and, together, as the “Parties.” In consideration of the mutual promises contained herein, City and Consultant agree as follows:

ARTICLE 1 – ENGAGEMENT OF CONSULTANT

- 1.1 City hereby engages Consultant to provide wastewater system assessment services for City (the “Services”).
- 1.2 The Services shall be performed by Consultant in a professional manner, and Consultant represents that it has the skill and the professional expertise necessary to provide the Services to City at a level of competency presently maintained by other practicing professional consultants in the industry providing like and similar types of Services.

ARTICLE 2 – SERVICES OF CONSULTANT

- 2.1 The Services that Consultant shall perform are more particularly described in Exhibit “A,” entitled “Scope of Services,” which is attached hereto and incorporated herein by reference.
- 2.2 Consultant shall comply with applicable federal, state and local laws and regulations in the performance of the Services.

ARTICLE 3 – RESPONSIBILITIES OF CITY

- 3.1 City shall make available to Consultant information in its possession that may assist Consultant in performing the Services.
- 3.2 City designates Chris Diggs, Deputy Municipal Utilities and Engineering Director, as City’s representative with respect to performance of the Services, and such person shall have the authority to transmit instructions, receive information, interpret and define City’s policies and decisions with respect to performance of the Services.

ARTICLE 4 – PERFORMANCE OF SERVICES

- 4.1 Consultant shall complete the Services in a prompt and diligent manner within one hundred days (100) calendar days from and after the date of City’s issuance to Consultant of a written Notice to Proceed.

ARTICLE 5 – PAYMENTS TO CONSULTANT

- 5.1 The total compensation for Consultant’s performance of the Services shall not exceed the amount of One Hundred Forty Eight Thousand Four Hundred Twenty Dollars (\$148,420.00), based upon the rates shown in Exhibit “B,” entitled “Rate Schedule” which is attached hereto and incorporated herein by this reference.
- 5.2 Consultant shall submit monthly invoices to City describing the Services performed during the preceding month. Consultant’s invoices shall include a brief description of the Services performed, the dates the Services were performed, and the number of hours spent and by whom. City shall pay Consultant no later than thirty (30) days after receipt and approval by City of Consultant’s invoice.
- 5.3 All notices shall be given in writing by personal delivery or by mail. Notices sent by mail should be addressed as follows:

City
Chris Diggs
Deputy MUED Director
City of Redlands
35 Cajon Street, Suite 15A
Redlands, CA 92373

Consultant
Mike Agbodo, PE
Project Manager
URS Corporation
3500 Porsche Way, Suite 300
Ontario, CA 91764

When so addressed, such notices shall be deemed given upon deposit in the United States Mail. Changes may be made in the names and addresses of the person to whom notices and payments are to be given by giving notice pursuant to this section 5.3.

ARTICLE 6 – INSURANCE AND INDEMNIFICATION

- 6.1 Insurance required by this Agreement shall be maintained by Consultant for the duration of its performance of the Services. Consultant shall not perform any Services unless and until the required insurance listed below is obtained by Consultant. Consultant shall provide City with certificates of insurance and endorsements evidencing such insurance prior to commencement of the Services. Insurance policies shall include a provision prohibiting cancellation or modification of the policy except upon thirty (30) days prior written notice to City.
- 6.2 Consultant shall secure and maintain Workers’ Compensation and Employer’s Liability insurance in accordance with the laws of the State of California, with an insurance carrier acceptable to City as described in Exhibit “C,” entitled “Workers’ Compensation Insurance Certification,” which is attached hereto and incorporated herein by this reference.
- 6.3 Consultant shall secure and maintain comprehensive general liability insurance with carriers acceptable to City. Minimum coverage of One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate for public liability, property

damage and personal injury is required. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City.

- 6.4 Consultant shall secure and maintain professional liability insurance throughout the term of this Agreement in the amount of One Million Dollars (\$1,000,000) per claim made.
- 6.5 Consultant shall have business auto liability coverage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence, combined single limit bodily injury liability and property damage liability. This coverage shall include all Consultant owned vehicles used in connection with Consultant's provision of the Services, hired and non-owned vehicles, and employee non-ownership vehicles. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self insurance maintained by City.
- 6.6 Consultant shall defend, indemnify and hold harmless City and its elected officials, employees and agents from and against any and all claims, losses or liability, including attorneys' fees, arising from injury or death to persons or damage to property occasioned by and negligent act, omission or failure to act by Consultant, its officers, employees and agents in performing the Services.

ARTICLE 7 – CONFLICTS OF INTEREST

- 7.1 Consultant covenants and represents that it does not have any investment or interest in any real property that may be the subject of this Agreement or any other source of income, interest in real property or investment that would be affected in any manner or degree by the performance of Consultant's Services. Consultant further covenants and represents that in the performance of its duties hereunder, no person having any such interest shall perform any Services under this Agreement.
- 7.2 Consultant agrees it is not a designated employee within the meaning of the Political Reform Act because Consultant:
 - A. Does not make or participate in:
 - (i) the making or any City governmental decisions regarding approval of a rate, rule or regulation, or the adoption or enforcement of laws;
 - (ii) the issuance, denial, suspension or revocation of City permits, licenses, applications, certifications, approvals, orders or similar authorization or entitlements;
 - (iii) authoring City to enter into, modify or renew a contract;
 - (iv) granting City approval to a contract that requires City approval and to which City is a party, or to the specifications for such a contract;
 - (v) granting City approval to a plan, design, report, study or similar item;
 - (vi) adopting, or granting City approval of policies, standards or guidelines for City or for any subdivision thereof.

- B. Does not serve in a staff capacity with City and in that capacity, participate in making a governmental decision or otherwise perform the same or substantially the same duties for City that would otherwise be performed by an individual holding a position specified in City's Conflict of interest Code under Government Code section 87302.
- 7.3 In the event City officially determines that Consultant must disclose its financial interests, Consultant shall complete and file a Fair Political Practices Commission Form 700, State of Economic Interests with the City Clerks' office pursuant to the written instructions provided by the City Clerk.

ARTICLE 8 – GENERAL CONSIDERATIONS

- 8.1 In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party.
- 8.2 Consultant shall not assign any of the Services, except with the prior written approval of City and in strict compliance with the terms, and conditions of this Agreement.
- 8.3 Project related documents, records, drawings, designs, cost estimates, electronic data files, databases and any other documents developed by Consultant in connection with its performance of the Services, and any copyright interest in such documents, shall become the property of City and shall be delivered to City upon completion of the Services, or upon the request of City. Any reuse of such documents, and any use of incomplete documents, shall be at City's sole risk.
- 8.4 Consultant is for all purposes under this Agreement an independent contractor and shall perform the Services as an independent contractor. Neither City nor of its agents shall have control over the conduct of Consultant or Consultant's employees, except as herein set forth. Consultant shall supply all necessary tools and instrumentalities required to perform the Services. Assigned personnel employed by Consultant are for its account only, and in no event shall Consultant or personnel retained by it be deemed to have been employed by City or engaged by City for the account of, or on behalf of City. Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent, nor shall Consultant have any authority, express or implied, to bind City to any obligation.
- 8.5 Unless earlier terminated as provided for below, this Agreement shall terminate upon completion and acceptance of the Services by City; provided, however this Agreement may be terminated by City, in its sole discretion, by providing ten (10) days prior written notice to Consultant (delivered by certified mail, return receipt requested) of City's intent to terminate. If this Agreement is terminated by City, an adjustment to Consultant's compensation shall be made, but (1) no amount shall be allowed for anticipated profit or unperformed Services, and (2) any payment due Consultant at the time of termination may be adjusted to the extent of any additional costs to City occasioned by any default by Consultant. Upon receipt of a termination notice, Consultant shall immediately

discontinue its provision of the Services and, within five (5) days of the date of the termination notice, deliver or otherwise make available to City, copies (in both hard copy and electronic form, where applicable) of project related data, design calculations, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by Consultant in performing the Services. Consultant shall be compensated on a pro-rata basis for Services completed up to the date of termination.

- 8.6 Consultant shall maintain books, ledgers, invoices, accounts and other records and documents evidencing costs and expenses related to the Services for a period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant pursuant to this Agreement. Such books shall be available at reasonable times for examination by City at the office of Consultant.
- 8.7 This Agreement, including the Exhibits incorporated herein by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations, written proposals or verbal agreements relating to such matters are superseded by this Agreement. Except as otherwise provided for herein, an amendment to this Agreement shall be in writing, approved by City and signed by City and Consultant.
- 8.8 This Agreement shall be governed by and construed in accordance with the laws of the State of California.
- 8.9 If one or more of the sentences, clauses, paragraphs or sections contained in this Agreement is declared invalid, void or unenforceable by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall not affect, impair or invalidate the remaining sentences, clauses, paragraphs or sections contained herein, unless to do so would deprive a Party of a material benefit of its bargain under this Agreement.

IN WITNESS WHEREOF, duly authorized representative of the City and Consultant have signed in confirmation of this Agreement.

CITY OF REDLANDS

URS CORPORATION

By: _____
Pete Aguilar, Mayor

By: _____
Brian Wynne, Vice President

ATTEST:

Sam Irwin, City Clerk

Exhibit “A”

Scope of services:

Task 1: Evaluation of Current Wastewater System Performance

Consultant will evaluate the current performance of wastewater treatment operations and its costs; review all aspects for potential improvements using benchmarks from operations of similar size and regulatory environment. Consultant will establish a baseline for the City’s wastewater operations system based on previous performance. Consultant will meet with the City staff in a plant tour and workshop to discuss ideas and solicit input into the development of the establishment of the baseline criteria. Consultant will establish a baseline conditions on the annual energy consumption and total costs, and greenhouse emissions. Consultant will establish a benchmark with other wastewater utilities of similar size and compare the energy consumptions and make appropriate recommendations on the necessary steps the City should undertake to be more efficient and conserve energy.

Profile: Consultant will gather information about the facility size, the type of treatment process, amount of energy used to help provide a platform upon which the facility would begin its evaluation.

Energy Priority Ranking: Consultant will develop and complete an energy priority rank sheet. This will include an identification of criteria specific to each facility to use for determining the overall feasibility and benefits of each energy project. Utilizing the results of the spreadsheet model and priority ranking sheet, each project will be assigned a score for each criterion and the individual scores totaled for each project with the main focus on energy reduction. Scoring criteria will be presented to the City for review. Projects with the highest score will typically be selected for action.

Task 2: Prescribe New State-of-the-Art Technologies

Based on the best available information, Consultant will identify new and state-of-the-art technologies that will be vital to the future operations of the systems, or will enhance the existing operations by reducing power consumption, reduce O&M, staff effort, or increase quality of treatment. Consultant will evaluate advanced treatment technologies and practices to determine possible improvements and focus on reduction measures that are actionable and measurable. Additionally, Consultant will evaluate items identified by City staff for energy use reduction.

Potential actions will be screened and then prioritized into the following:

1. Actions that are easily implemented within 6 months to a year.
2. Actions that require further analysis and implementation in a 1 to 5 year window.
3. Actions that require further analysis and implementation in a 5 to 10 year window.
4. Actions that require further analysis and implementation in a 10 to 15 year window.

All of these potential projects will undergo evaluation and will be reviewed and compare against selection criteria, which may include:

- Lifecycle costs;
- Effectiveness at reducing energy and material use/demand;
- Availability of funding; energy efficiency rebates, incentives, grants;
- Effectiveness at meeting regulatory requirements;

- Return on investment;
- Existing need for equipment upgrade;
- Support of other priorities (e.g., asset management goals).

Task 3: Labor Productivity

Consultant will examine the available City manpower to in operate the wastewater collection and treatment systems, and assist the City in identifying ways to increase labor productivity and streamline processes and propose indicators so that improvements can be measured objectively.

Task 4: Inventory Optimization and Asset Management Qualifiers

Consultant will identify protocols for preparing asset inventory for the City's wastewater collection and treatment system. The objective of this task is to formulate protocols the City can follow in determining the remaining useful life of the City's wastewater collection and treatment systems. This will enable the City to know when to replace assets reaching the end of their useful life, and proactively plan for the necessary budget in place for the renewal of the assets.

Task 5: Technological Optimization

Consultant shall employ both process optimization (for performance and cost-savings) as well as new technologies to provide City with cost-effective, least energy-cost wastewater treatment plant design. Consultant will review treatment processes currently in place and compare them to similar projects with other utilities to recommend the necessary modifications needed to enhance the City's efficiency and save costs in the wastewater treatment plant operation. Consultant will examine alternative procedures and explore alternative and sustainable green energy sources to preserve the environment.

Task 6: Explore Opportunities for Additional Revenues

Consultant will explore opportunities for additional revenues from the operations and by-products from the new and existing technologies. Consultant will perform a feasibility study and market analysis if necessary.

Task 7: Recommend Implementable Measures

Consultant will recommend implementable measures to improve and streamline O&M to increase efficiencies and reduce costs. Each recommendation will qualify the potential impact on expenses as well as any barriers to implementation. For recommendations that require capital investment, Consultant will assist in the development of a business plan with projected funding outlets. The recommendations will be laid out in such a manner that the City can implement immediately in the short-term as well as a long-range implementation plan.

Task 8: Draft Recommendations

Consultant will prepare a Draft Report summarizing the findings of the investigations and providing recommendations based on the interviews conducted and Consultant expert experience in performing work with other agencies of similar size and complexity. Following completion of the Draft Report, Consultant will meet with City staff to discuss the recommendations outlined in the Draft Report and solicit City input into finalizing the Draft Report.

Task 9: Final Report

Following receipt of City staff input into the Draft Report, Consultant will proceed to prepare the Final Report and submit 10 copies of the Final Report to City and an electronic copy in MS Word. Consultant will also make presentations to City management and staff on the findings and recommendations of the project.

Exhibit “B”

Rate Schedule

Task No.	Description	Work-hours by Classification						Total Hours	Fees				
		Principal-in-Charge	Project Manager	Sr.Project Engineer	Project Engineer	Staff Engineer	Clerk		QA/QC	Labor	Materials	Sub-Contractors	Total Cost
		\$200	\$190	\$170	\$140	\$80	\$65		\$180				
1.0	EVALUATION OF CURRENT WATER SYSTEM PERFORMANCE												
	1.1 Establish Baseline		8	24	16	16		64	\$9,120	\$100			\$9,220
	1.2 Benchmark with Other Cities		8	24	16	16		64	\$9,120	\$100			\$9,220
	SUBTOTAL		16	48	32	32		128	\$18,240	\$200			\$18,440
2.0	PRESCRIBE NEW STATE-OF-THE-ART TECHNOLOGIES												
	2.1 Establish Existing Technologies		4	16	12	8		40	\$5,800	\$100			\$5,900
	2.2 Recommend More Modern Technology		4	16	12	8		40	\$5,800	\$100			\$5,900
	SUBTOTAL		8	32	24	16		80	\$11,600	\$200			\$11,800
3.0	LABOR PRODUCTIVITY												
	3.1 Evaluate Existing Manpower		8	12	16	4		40	\$6,120	\$100			\$6,220
	3.2 Recommend Appropriate Manpower		8	12	16	4		40	\$6,120	\$100			\$6,220
	SUBTOTAL		16	24	32	8		80	\$12,240	\$200			\$12,440
4.0	INVENTORY OPTIMIZATION & ASSET MANAGEMENT												
	4.1 Identify Assets		8	16	32	24		80	\$10,640	\$100			\$10,740
	4.2 Identify Procurement Measures		8	8	2	2	2	22	\$3,450	\$100			\$3,550
	4.3 Recommend Improvements to Procurement Process		12	16	4	4		36	\$5,880	\$100			\$5,980
	SUBTOTAL		28	40	38	30	2	138	\$19,970	\$300			\$20,270
5.0	TECHNOLOGICAL OPTIMIZATION												
	5.1 Establish Existing Treatment Process		4	24	12	8		48	\$7,160	\$100			\$7,260
	5.2 Compare Treatment Process with Other Cities		6	8	12	8		34	\$4,820	\$100			\$4,920
	5.3 Recommend Improvements		4	8	12	8		32	\$4,440	\$100			\$4,540
	SUBTOTAL		14	40	36	24		114	\$16,420	\$300			\$16,720
6.0	RECOMMEND IMPLEMENTABLE MEASURES												
	6.1 Develop a List of Implementable Measures		8	24	32	8		72	\$10,720	\$100			\$10,820
	6.2 Meet with City to Discuss Recommended Implementable Measures		8	16	4	4		32	\$5,120	\$100			\$5,220
	6.3 Prepare Final Implementable Measures		12	24	16	16		68	\$9,880	\$100			\$9,980
	SUBTOTAL		28	64	52	28		172	\$25,720	\$300			\$26,020
7.0	DRAFT REPORT												
	7.1 Prepare Draft Report		16	24	32	24		96	\$13,520	\$250			\$13,770
	7.2 Meet with City to Discuss Draft Report		4	12				16	\$2,800	\$150			\$2,950
	SUBTOTAL		20	36	32	24		112	\$16,320	\$400			\$16,720
8.0	FINAL REPORT												
	8.1 Prepare Final Report		24	18	24	16		82	\$12,260	\$250			\$12,510
	SUBTOTAL		24	18	24	16		82	\$12,260	\$250			\$12,510
9.0	PROJECT MANAGEMENT AND MEETINGS												
	9.1 Project Management	2	24					26	\$4,960	\$500			\$5,460
	9.2 Progress Meeting												
	9.2.1 Kickoff Meeting		2	2			2	6	\$850	\$250			\$1,100
	9.2.2 30% Review Meeting		2	2			2	6	\$850	\$250			\$1,100
	9.2.3 50% Review Meeting		2	2			2	6	\$850	\$250			\$1,100
	9.2.4 90% Review Meeting		2	2			2	6	\$850	\$250			\$1,100
	9.3 Consultant Quality Controls		2				16	20	\$3,390	\$250			\$3,640
	SUBTOTAL	2	34	8			10	70	\$11,750	\$1,750			\$13,500
	GRAND TOTAL HOURS AND FEE	2	188	310	270	178	12	16	976	\$144,520	\$3,900		\$148,420

Exhibit "C"

**WORKERS' COMPENSATION INSURANCE CERTIFICATION TO PERFORM
WASTEWATER SYSTEM ASSESSMENT SERVICES**

Every employer except the State, shall secure the payment of compensation in one or more of the following ways:

- (a) By being insured against liability to pay compensation in one or more insurer duly authorized to write compensation insurance in this State.
- (b) By securing from the Director of Industrial Relations, a certificate of consent to self-insure, either as an individual employer or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.

I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code §1861).

URS Corporation dba URS Corporation

By: _____
Brian Wynne, Vice President

Date: