



REQUEST FOR PROPOSALS (RFP)

**Construction Management Services for the
Construction of the Dry Well Segments of the
Palermo Clean Water Consolidation Project**

RFP Publication Date: June 19, 2024

RFP Submission Deadline Date: July 26, 2024

Issued by:

Mr. Rath Moseley
General Manager

South Feather Water and Power Agency
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1) **RESPONDENT ADMONISHMENT**

Respondents are reminded it is their responsibility to:

- Carefully read the content of this entire document, address all requirements, and follow all procedures of this RFP
- Ask for clarification before final due date of questions
- Immediately inform South Feather Water and Power Agency of any issues or problems with this solicitation
- Be complete in response
- Submit all responses by the required dates and times

2) **INTRODUCTION**

The South Feather Water and Power Agency (hereafter referred to as “SFWPA or Agency”) is seeking a firm/respondent (hereafter referred to as “Respondent”) to conduct construction management services for the construction of the dry well segments of the Palermo Clean Water Consolidation Project for Agency.

The Agency intends to award a contract to a respondent that will meet the qualification criteria and has successfully performed services on similar projects in the past. The successful respondent will be required to enter into a contract with Agency for the services requested in this RFP within a reasonable time after award. A respondent submitting a proposal must be prepared to use Agency's standard contract template rather than its own contract. The contract will include terms appropriate for this project.

Generally, the terms of the contract will include, but are not limited to: (1) completion of the project within the timeframe provided, (2) no additional work authorized without prior written approval, (3) no payment without written approval, (4) funding availability, (5) termination of contract under certain conditions, (6) indemnification of Agency, (7) approval by Agency of any subcontractors, and (8) minimum appropriate insurance requirements. A Model Contract is attached as Exhibit A to this RFP. Agency intends to award and execute a contract substantially in the form of the Model Contract to the selected respondent. Respondents should list any requested exception(s) or changes to the Model Contract in the RFP cover letter.

3) **BACKGROUND**

Project Overview

The construction of Agency water supply infrastructure to the dry well segments in the Palermo community is a subproject to the Palermo Clean Water Consolidation Project that will address the immediate need of parcels with dry wells.

The community of Palermo is in the southern portion of Butte County with a population of approximately 5,000 residents. Most of the residents have individual groundwater wells for potable water supply and on-site septic systems for wastewater treatment and disposal. During years with high precipitation, the community is prone to flooding and high groundwater levels, resulting in septic system failures that cross contaminate wells.

The larger Palermo Clean Water Consolidation project consists of a total of 490 parcels within the project footprint of which 110 parcels currently receive treated surface water from the South Feather Water and Power Agency (SFWPA/Agency). The Palermo Clean Water Consolidation Project would bring all parcels Safe Drinking Water Act (SDWA)-compliant clean treated potable water and thereby reduce future potential health and safety issues. The Palermo Clean Water Consolidation project involves connecting 380 parcels in the Palermo community to the SFWPA treated water system. The long-term project will add approximately 12,000 linear feet of distribution pipelines and 110 service connections.

However, given the recent drought (2020-2022), approximately 12 parcels within the Clean Water Consolidation Project boundaries currently have dry wells and participated in Butte County's Temporary Water Storage Tank and Water Hauling Program. Funding for this program expired in October 2023, although the County has received new funding from the State Water Resources Control Board to reinitiate the program. These parcels are primarily located in the north and southeastern portions of Palermo (see attached map, Exhibit B).

Funding

Butte County, through a subrecipient agreement with the Sierra Institute for Community and Environment, has received Urban and Multibenefit Drought Relief Program funds from the state Department of Water Resources (DWR). These funds are to be used for construction management services as detailed in the Scope of Work.

Butte County has allocated American Rescue Plan Act (ARPA) funds to the Palermo community to support the expansion and construction of SFWPA's water system to connect interested landowners, particularly those areas with dry wells. The ARPA funding will be used to construct the dry well segments of the overall Palermo Clean Water Consolidation project.

In addition, Butte County and SFWPA have applied to the State Water Resources Control Board for State Revolving Loan Funds (SRF) for the Palermo Clean Water Consolidation Project; this application is currently in-progress. However, it is imperative that parcels with dry wells be immediately connected to the SFWPA water system in order to receive a clean reliable source of water. It is anticipated that the long-term Palermo Clean Water Consolidation Project would be constructed in subsequent phases.

Other Documentation

As part of the Palermo Clean Water Consolidation Project, 100% design plans and specifications for the entire project, including survey data, have been prepared, submitted,

and reviewed by the Butte County Department of Public Works. These plans would be used to expand the SFWPA water system to the dry well areas within the Palermo community. The design engineer will be available to the Construction Manager and subsequent contractor for initial site walks and responding to requests for information. The design engineer will be retained through the County.

It should also be noted that numerous studies have been conducted to determine the most viable solution to either the water quality issues resulting from septic contamination or providing a clean drinking water supply within the Palermo community. A Technical Memo (TM) by Luhdorff & Scalmanini Consulting Engineers (LSCE) was prepared (August 16, 2021) summarizing previous studies and identified various project alternatives with a focus on drinking water. The Palermo Clean Water Consolidation project was identified as the preferred alternative. Other studies include: 2007 Palermo Sanitary Survey Report, 2010 Palermo Wastewater Study Preliminary Engineering Report, and 2012 review of the 1987 Palermo Pollution Study.

A Mitigated Negative Declaration was filed for this Project with the Office of Planning and Research on January 7, 2022 (SCH No. 2022010096) and a Notice of Determination was filed with the County Clerk on February 11, 2022. Prepare letter stating no legal challenges (or addressing legal challenges).

4) SCOPE OF SERVICES

SFWPA anticipates the respondent selected for this work shall provide the tasks as detailed in this Scope of Services. However, SFWPA will give due consideration to alternative approaches for conducting the requested Construction Management Services.

Task 1: Project Management

This task provides for project management and administrative activities such as:

- Contractual Arrangements
- Ongoing Examination Regarding Adherence to the Scope, Budget, and Schedule
- Coordination of Staff Resources
- Internal Review of Work Products
- Management of Subcontractors
- Billing Review
- Scoping Updates and Budget Tracking
- Scheduling and Administering Project Meetings (Agendas/minutes/follow-up actions)

Project management also includes compliance with grant requirements including the preparation and submission of supporting grant and reporting documents to Butte County (refer to Task 2).

Task 2: Reporting

Prepare invoices including relevant supporting documentation for Butte County for submittal to DWR via the Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of primary Grant Agreement. Submit reports to the County for transmittal to the Grantee.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with grant requirements (Grant Agreement Exhibit F).

Deliverables:

- Invoices and associated backup documentation
- Quarterly Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Grant Agreement Standard Condition D.2

Task 3: Permitting

The Palermo community and project area has been annexed into the SFWPA service area.

Encroachment permits will need to be obtained from Butte County Department of Public Works for the Dry Well Consolidation sections of the project.

Deliverables:

- Encroachment permits as required

Task 4: Engineer's Cost Estimate

Develop an Engineer's cost estimate for the dry well segments of the consolidation project. All proposed costs should adhere to the equipment/materials procurement guidelines established in the DWR funding agreement.

The cost estimate should include the following categories, at a minimum (additional categories may be added as relevant):

- General Requirements (examples include tasks such as mobilization/demobilization, traffic control, clean-up disposal, signage, scheduling, surveying, Stormwater Runoff and Best Management Practice compliance, testing/disinfection, etc.)

- Sitework (examples include tasks such as trench restoration, grading, potholing, dewatering, sawcut, pavement replacement, slope stabilization, etc.)
- Mechanical (examples include materials such as piping, blow-offs, fire hydrants, flanges, gate valves, air/vacuum valves, steel casings, spacers, end seals, lateral crossings, flow meter, etc.)
- Electrical (examples include establishing new electric service, etc.)

Construction will include the installation of C-900 6-inch distribution pipe with associated valves and blow-offs, associated paving (trench restoration), approximately meters/meter boxes, water service lines from the water main to the meter box, and installation of additional fire hydrants as required.

Deliverables:

- Engineer’s Cost Estimate

Task 5: Construction Contract Procurement Services

This task must comply with the primary Grant Agreement’s Standard Condition D.10 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

Task 6: Construction Management

This task includes managing contractor submittal review, coordinating with the County’s design engineer to respond to requests for information (RFIs), and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, preparing/reviewing/updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable.

As part of construction management activities, the consultant will ensure that the following activities are performed as part of construction management or contractor, as applicable:

compaction testing and ensure paving meets requirements for installation of new pipelines; survey marking, flagging, or staking in accordance to the design plans and specs; update distribution system mapping in GIS according to as-builts; and prepare as-built drawings in AutoCAD representing any field changes differing from the design plans.

Upon project completion, the DWR Certificate of Project Completion and record drawings will be provided to DWR. All Project improvements will be installed in accordance with AWWA standards and approved SFWPA water.

Deliverables:

- Develop project schedule for contractor bids and construction activities
- Ensure compaction testing and paving requirements are meet
- Survey marking, flagging, or staking
- GIS distribution system mapping
- As-built drawings
- Photographic Documentation of Progress
- DWR Certificate of Project Completion
- Record Drawings

Construction may not commence until a Notice to Proceed has been issued by SFWPA, in coordination with the County. Construction must end at least 90 days in advance of the project completion date included in the DWR grant agreement.

BUDGET

Dry Well Consolidation Project of the Palermo Clean Water Consolidation Project

	BUDGET CATEGORY	Grant Amount¹
(d)	Construction / Implementation	
	Construction Management / SFWPA	\$475,000
	Grant Administration / Butte County	\$50,000
	TOTAL COSTS	\$525,000

5) FORMAT FOR PROPOSALS

Responses to the RFP must be made according to the requirements set forth in this section, both for content and sequence. Failure to adhere to these requirements, or inclusion of conditions, limitations or misrepresentations in a response may be cause for rejection of the submittal. Use 8-1/2" x 11" sheets (fold outs are acceptable for charts, etc.). Type size must be large enough to be easily legible, but shall not be smaller than 10-point. Agency shall receive all submissions no later than **July 26, 2024 at 2:00 PM.**

- The response shall include a cover letter, a table of contents, all items listed below, and shall be in one of the following formats:
 - One (1) signed, unbound original (printed material on 8-1/2" X 11" paper) and 3 bound copies.
 - One (1) electronic copy shall also be provided in thumb drive/USB format and/or emailed to: rmoseley@southfeather.com
 - Submissions shall be in the order noted below.
- The mandatory content and sequence of submittal is as follows:
 - Cover Letter and Introduction shall be a maximum two-page Cover Letter and Introduction, and shall include the name and address of the respondent submitting the proposal, together with the name, address, and telephone number of the contact person who will be authorized to make representations for the respondent,

the respondent's federal tax ID number, and a list of subcontractors, if applicable. The Cover Letter shall include a statement that the proposal is valid for ninety (90) days after receipt. In addition, Respondents should list any requested exception(s) or changes to the Model Contract in the cover letter.

- Table of Contents shall be a detailed Table of Contents and shall include an outline of submittal, identified by sequential page number and by section reference number and section title as described therein.
- Respondent's Experience Summary shall be a maximum of eight (8) pages (not including resumes) in length and shall describe the respondent's experience in construction management services for water supply infrastructure. Experience and focus in the public sector as well as grant funded projects is of vital importance. Agency is looking to partner with a respondent that has years of experience providing construction management. Resumes shall be included for any key personnel to be assigned to this project. The proposal shall also include the timeline for completing all required tasks. Describe related past projects completed along with a discussion comparing similarities with this proposed project. Please provide a comprehensive narrative history of the respondent and its experience in providing construction management to water districts.
- The Experience Summary shall also contain a comprehensive list of references preferably including water agencies wherein similar services were performed. At a minimum, the following information must be included for each client reference:
 - Client name, address, contact person name, telephone number, fax number, and email address.
 - Detailed description of services provided similar to the services outlined in the Draft Scope of Work.
- Respondent Capabilities shall be a maximum of six (6) pages entitled "Respondent Capabilities," and shall include a description of the proposing respondent's resources for successfully developing and completing this project.
- Cost shall detail the cost portion of the proposal. Respondent shall provide pricing based on time and materials not-to-exceed. Respondent shall also provide an itemized breakdown of all costs associated with construction management. Prices quoted shall be valid for at least ninety (90) days following the proposal submission deadline and if a contract is entered into as a result of this RFP, shall become fixed for the term of the contract.

- If an hourly rate is quoted, the anticipated total number of hours shall be included along with a not-to-exceed price for the project.
- Draft Scope of Work shall be identified as “*Attachment III – Scope of Work*” for incorporation in the Model Contract as the final contract to be awarded to the successful respondent. This is the document in which the proposing respondents are requested to describe the work they will perform to complete this project. Should there be any tasks that are expected to be performed by Agency, these shall also be clearly described as Agency tasks in the Draft Scope of Work. If the respondent included a not-to-exceed price in the proposal, a proposed billing rate for all reimbursable expenses shall be included in the Draft Scope of Work.
- Schedule for the project demonstrating the tasks and timelines necessary to construct water supply infrastructure to the dry well areas.

6) SELECTION PROCESS

The selection committee may include representatives from South Feather Water and Power Agency, Butte County Department of Water and Resource Conservation, and other agency representatives as deemed appropriate. The criteria for selecting the respondent is provided below:

- a. Cost. Are the costs reasonable for the proposed tasks?
- b. Experience/Qualifications. Does respondent have sufficient similar experience in the kind of work required? Does the respondent demonstrate the technical skills and abilities to provide the proposed services? Does respondent have a reputation of being reliable, delivering on schedule and performing tasks to the satisfaction of its clients?
- c. Approach/Methodology. Does respondent have the resources and capability to meet the needs of Agency? Does respondent have the ability to provide more advanced support, solutions, and guidance? Does respondent have sufficient stability and ability to meet the needs of Agency both now and in the future?
- d. Work Plan (Scope of Services). Does the respondent demonstrate a firm understanding of the project? Does the Scope of Work demonstrate the respondent’s understanding of the project as well as approach to complete each task? Does the Scope of Work demonstrate familiarity with local needs of the community and ability to leverage that for the current project?

Agency may discuss the proposals and negotiate modifications of the proposal, draft scope of work, terms and conditions, and pricing with the prospective respondent as a part of the selection process.

7) SUBMITTAL EVALUATION

Overall criteria used to evaluate responses includes:

Criteria	Maximum Points
Cost	10
Experience/Qualifications	30
Approach/Methodology	30
Work Plan (Scope of Work)	30
Total	100

8) RULES OF PROCUREMENT

Timeline Summary:

Event	Anticipated Date/Time (Subject to Change)
Solicitation Publication	June 19, 2024
Final Date to Submit Questions and Requests for Clarification	July 3, 2024 at 4:00 PM
Questions Answered via Addendum(s)	July 12, 2024
RFP Submittals Due	July 26, 2024 by 2:00 PM
Preliminary Evaluation Completed	August 2, 2024
Presentation/Demonstration (if desired)	Week of August 12, 2024, if necessary
Evaluation Completion	August 16, 2024
Award of Contract / SFWPA Board of Directors Meeting	August 27, 2024

Agency Contact Information:

Any and all communication regarding this solicitation shall be in writing, submitted through Public Purchase and/or directed to:

Mr. Rath Moseley, General Manager
 South Feather Water and Power Agency
 2310 Oro Quincy Highway, Oroville, California 95966
 (530) 533-4578 or rmosley@southfeather.com

This person will serve as Agency's contact for this project regarding questions and inquiries during the solicitation. **Do not** contact other Agency personnel or selection committee members regarding this project or the selection procedures.

Respondents interested in participating in this solicitation shall register at the Public Purchase website: www.publicpurchase.com.

Questions:

Questions and requests for clarification may only be submitted by email or through the Public Purchase website. Verbal and phone inquiries will not be answered. All questions and requests for clarification shall be submitted no later than **July 3, 2024 at 4:00 PM**. Agency will provide answers and clarifications by posting an addendum(s) through the Public Purchase website by **July 12, 2024** so all respondents receive consistent information. It is the responsibility of all interested respondents to access the website for this information. **Questions received after July 3, 2024 will not be answered.**

9) AGENCY NOTICES

All proposing respondents answering this RFP should note the following:

- All work performed for Agency, including all documents associated with the project, shall become the exclusive property of Agency.
- The selected respondent is expected to perform and complete the project in its entirety.
- Any and all costs including travel, arising from development and delivery of a response to this RFP incurred by any proposing respondent shall be borne by the respondent without reimbursement by Agency.
- The selected respondent shall remain an independent contractor, working under his/her own supervision and direction and is not a representative or employee of Agency. Respondents agree to file tax returns and pay all applicable taxes on amounts paid pursuant to this Contract.
- The opening of proposals in response to this solicitation is not subject to attendance by the general public. This restriction is necessitated by the fact that the contract award is subject to negotiations, and it would be unfair for competing companies to know the prices quoted by one another.
- The successful respondent must be prepared to begin work promptly following execution of the contract and is expected to complete the project in its entirety.

- Issuance of this solicitation in no way constitutes a commitment by Agency to award a contract. If Agency determines it is in its best interest to do so, no respondent may be selected and no contract may be executed.
- Upon acceptable negotiations and contract award, the respondent shall be required to execute the Model Contract as provided in Exhibit A and comply with Agency insurance requirements. Agency may modify the contractual requirements of the contract prior to execution of a contract for services.
- Agency reserves the right to request additional information from respondents that have submitted a response to this solicitation and to enter into negotiations with more than one respondent should a contract be awarded or to award a purchase order or contract to the respondents with the most favorable quotation without conducting negotiations. Agency reserves the right to award more than one contract if it is in the best interest of Agency.
- Agency reserves the right to reject any or all submittals received if Agency determines it is in its best interest to do so. Further, Agency may cancel or amend this solicitation at any time and may submit similar solicitations in the future.
- Agency may reject any submittal that does not meet all of the mandatory requirements of this solicitation, is conditional, or is incomplete.
- Agency may request clarification of any submitted information and may request additional information on any or all responses provided. Agency may also waive minor inconsistencies deemed to be irrelevant.
- Respondents that submitted a proposal in response to an RFP but were unsuccessful in their attempt to obtain a contract or recommendation for contract award, may request a debriefing to learn the general reasons for selection of a competitor for contract award. Requests for debriefings shall be directed to the Mr. Rath Moseley. **Requests for debriefings shall be requested within five (5) business days of the receipt of the Intent to Award and/or No Award notification.** Requests for debriefings may be conducted via telephone, email, or during a face-to-face meeting at Agency Offices in Oroville, CA.
- Respondents that have received a debriefing, but continue to feel aggrieved in connection with the solicitation or award of a contract may submit a protest to the Agency General Manager. All protests must be made in writing, signed by an individual authorized to sign the submitted proposal, and must contain a statement of the

reason(s) for the protest, citing the law, rule, regulation, or procedure on which the protest is based. Respondent's capabilities, project characteristics and/or pricing features that were not included in the respondent's proposal shall not be introduced during the protest process. **The protest shall be submitted within seven (7) working days after such aggrieved respondent knows or should have known of the facts giving rise thereto or within seven (7) working days following the debriefing.**

- The withdrawal of any submittal must be made in writing prior to the required submission date and time, and must be signed by an authorized representative of the respondent. An error in the submission may cause the rejection of that submittal. However, the respondent may reissue a new or modified submittal prior to the date and time required for submission.

10) MODEL CONTRACT

The respondent selected shall be expected to execute a contract substantially as the one shown as Exhibit A. However, Agency reserves the right to substitute Exhibit A, Model Contract with a different template if deemed necessary. Respondents should list any requested exception(s) or changes to the Model Contract in the RFP cover letter.

11) DISCLOSURE OF INFORMATION

All information and materials submitted to Agency in response to this RFP may be reproduced by Agency for the purpose of providing copies to authorized Agency personnel involved in the evaluation of the proposals, but shall be exempt from public inspection under the California Public Records Act until such time as a contract is executed. Bid awards are a matter of public record. Once a contract is executed, proposals submitted in response to this RFP are subject to public disclosure as required by law. Respondent's submission of a proposal is considered consent by respondent to Agency's disclosure of the proposal. Agency shall not be liable for disclosure of any information or records related to this procurement.

EXHIBIT A MODEL CONTRACT

SOUTH FEATHER WATER AND POWER AGENCY

CONSULTING SERVICES AGREEMENT

Project Title

This AGREEMENT, made and entered into this _____ day of _____, by and between South Feather Water and Power Agency, hereinafter referred to as the "AGENCY", whose address is 2310 Oroville Quincy Hwy, Oroville, CA 95966, and **CONSULTANT'S NAME**, hereinafter referred to as the "CONSULTANT", whose address is CONSULTANT's address. Agency and Consultant may also be referred to each as a "Party" or collectively as "Parties."

WITNESSETH

WHEREAS the AGENCY requires consulting services for [insert the type of work *such as design, engineering, surveying, environmental studies*] relating to the [Project name] (the "Project"); and

WHEREAS CONSULTANT has the necessary experience to assist AGENCY by providing [insert type of work *such as civil engineering, planning, scientific and/or environmental services*] as outlined in the scope of work for the Project; and

WHEREAS the CONSULTANT, on Date, submitted to AGENCY a proposal to provide such consulting services (the "Proposal") [*remove if not needed*]; and

WHEREAS CONSULTANT's proposal provides detailed information on the general approach to be followed by the CONSULTANT, including the scope of work, personnel to be assigned to the work, sub-consultants, a budget, and a schedule [*remove if not needed*]; and

WHEREAS the CONSULTANT will ensure that the personnel assigned to the Project will [*be duly licensed as _____ (if licensing is required) and will*] possess the necessary expertise, experience and qualifications to qualify as experts in the field as a _____ [*insert profession, such as registered Professional Engineers in the State of California, Professional Land Surveyor, environmental scientist, planning services, security services, or financial advisor*].

WHEREAS, AGENCY wishes to engage the services of CONSULTANT in accordance with the Proposal.

NOW, THEREFORE, the AGENCY and the CONSULTANT, for the consideration hereinafter named, agree as follows:

ARTICLE I - CONSULTANT'S SERVICES: The CONSULTANT shall perform services requested by the AGENCY as directed by a written TASK ORDER from the AGENCY, a copy of which is attached hereto as EXHIBIT A and incorporated herein by this reference. Each TASK ORDER shall outline the scope of services to be performed, state the time within which the work is to be completed, delineate any special conditions, state the fee or the method of determining the fee, state the time of payment of the fee, delineate any special conditions, state the fee or the method

of determining the fee and authorize the CONSULTANT to proceed, and be executed by an authorized representative of CONSULTANT. Subsequent TASK ORDERS may be executed after the date of this agreement as amendments. Once approved, executed, and upon written acceptance by CONSULTANT of TASK ORDERS from the AGENCY said TASK ORDER shall constitute an authorization to CONSULTANT to proceed in accordance with its terms.

ARTICLE II - CONSULTANT'S FEE: For services performed under a TASK ORDER, the CONSULTANT shall be compensated on a time-and-material basis with a not-to-exceed limit, or on a fixed-fee basis, as delineated in the TASK ORDER.

All work performed on a time-and-material cost basis will be reimbursed in accordance with the compensation schedule set forth in EXHIBIT B attached hereto and incorporated herein by this reference. CONSULTANT will provide accurate time sheets and submit those time sheets with each pay request to the AGENCY.

Compensation shown on EXHIBIT B will remain in effect until at least Date. After that date, if a change in hourly charges occurs, the CONSULTANT will file with the AGENCY the updated charges for AGENCY approval. CONSULTANT shall provide not less than thirty (30) days advance notice of the effective date of such changes. Any changes to be applied to outstanding time and material TASK ORDERS shall not be effective unless approved by AGENCY. The AGENCY shall not unreasonably withhold or delay approval of reasonable changes. Changes in hourly charges shall not apply to fixed fee TASK ORDERS. Nothing in this Paragraph shall limit AGENCY's rights to terminate this AGREEMENT without cause under ARTICLE V. Notwithstanding the foregoing, changes in the compensation schedule shown in EXHIBIT B will not be made more frequently than annually.

If the TASK ORDER carries a not-to-exceed limit, that limit shall not be exceeded without prior approval of the AGENCY. The CONSULTANT shall not undertake assignments, either directly or indirectly, from AGENCY if CONSULTANT believes such assignment represents work outside the scope of work contained in the approved TASK ORDER without first notifying AGENCY in writing of such beliefs, and without receiving written authorization to proceed with such out-of-scope work. CONSULTANT shall, if requested by AGENCY, provide personnel to appear before AGENCY's governing body and/or a committee thereof regarding any claims of additional compensation, or a claimed exceedance of the not-to-exceed amount. Such appearance(s) and preparation therefore shall not be claimed as additional work or work outside the scope of assigned tasks.

ARTICLE III - PAYMENT FOR SERVICES: For services performed under a time-and-material, or a fixed-fee basis, the CONSULTANT will invoice the AGENCY on a monthly basis. Invoices for payments covered by time-and-material not-to-exceed TASK ORDERS shall include, along with the current billing amount, the total amount billed previously, and the amount remaining on the not-to-exceed amount. Payments covering fixed fee TASK ORDERS will be based on percent complete of the TASK ORDERS.

Payment to the CONSULTANT is due and payable upon submission of each invoice. If payment is not made within 21 calendar days after the date of the invoice is received and accepted by the Agency, interest on the unpaid balance thereof will accrue, from the last day of the month in which payment was due, at the rate of 6 percent per annum and become due and payable at the time said delayed payments are made by the AGENCY. If the AGENCY fails to pay the CONSULTANT in full within 60 days from receipt of an invoice, the CONSULTANT may suspend its performance of the services until all outstanding invoices have been paid in full by the AGENCY.

ARTICLE IV - COMPLETION OF SERVICES: The CONSULTANT agrees that CONSULTANT will do all work within the time required of CONSULTANT as set forth in each TASK

ORDER, but it is agreed between the parties to this AGREEMENT that the CONSULTANT cannot be responsible for delays occasioned by factors beyond CONSULTANT's control. Delays caused by actions or inactions of CONSULTANT's employees, or sub-consultants or suppliers to CONSULTANT shall not, in and of themselves, be considered factors outside the control of CONSULTANT.

ARTICLE V - TERMINATION OF AGREEMENT: The AGENCY may terminate this AGREEMENT without cause by giving 15-days' written notice to CONSULTANT provided, however; the CONSULTANT shall be compensated for all work done to the date of the termination, computed on a time-and-material cost basis beginning from the last paid invoice. Nothing herein shall deprive AGENCY of its right to set off its damages against amounts claimed by CONSULTANT in the event of termination for cause.

All work accomplished prior to termination shall be the property of, and be given to, the AGENCY. If no notice of termination is given, relationships and obligations created by this AGREEMENT shall be terminated upon completion of the applicable requirements of this AGREEMENT, including provision of all deliverables, whether draft or final, in electronic and paper form, required under the Agreement. Final payment can be withheld until all deliverables are provided.

ARTICLE VI - CONSULTANT'S RESPONSIBILITY AND STANDARD OF CARE: The CONSULTANT agrees that CONSULTANT's services shall be performed to the standard of an expert in the field for which CONSULTANT was retained. Notwithstanding the foregoing, the parties agree that estimated construction costs furnished by the CONSULTANT are estimates only, and the CONSULTANT is not retained to provide a guaranteed cost of construction and is not responsible for fluctuations in cost factors.

CONSULTANT shall at all times employ qualified, experienced, employees and sub-consultants in the performance of this AGREEMENT. CONSULTANT will be responsible for compliance with all applicable laws, rules and regulations governing the employment of personnel engaged by CONSULTANT, including personnel employed by any of CONSULTANT's sub-consultants, including without limitation the payment of prevailing wages on public works projects, if applicable. Nothing herein shall restrict CONSULTANT from contesting the determination of the State of California regarding the applicability of such laws.

ARTICLE VII - EXPERT TESTIMONY: It is agreed that, in the event of any legal or other controversy where the AGENCY requests the services of the CONSULTANT in providing expert testimony in connection with this project, except to the extent such suits or claims by third parties against the AGENCY arise out of errors or omissions of the CONSULTANT, the AGENCY shall pay the CONSULTANT for expert witness services and testimony rendered in regard to such legal or other controversy, including costs of preparation for the controversy, on a time-and-material basis in addition to other sums of money payable under this AGREEMENT.

ARTICLE VIII - CONFIDENTIALITY: All deliverables, whether in electronic or other form, and other written and electronic work or related material provided by Consultant that is required by the Agency to interpret and fully use such deliverables shall be considered the unrestricted property of the Agency. No deliverables or other material provided by Consultant shall be considered confidential absent the prior approval of the General Manager. If either party discloses information that has been agreed to be kept confidential, and such information is clearly identified in writing as proprietary or confidential, the party receiving such information shall keep it in confidence and shall not furnish or otherwise disclose it to any third party during or after completion of the services. No

information shall be designated as confidential, and neither party shall be obligated to maintain the confidentiality of such information, if:

- i. The information is independently developed by the receiving party without the utilization of the confidential or proprietary information;
- ii. The information is or becomes public knowledge without the fault of the receiving party;
- iii. The information is or becomes available to the receiving party from another source without any legal obligation to protect such information; or
- iv. The information is considered a public record under the California Public Records Act or is otherwise disclosed pursuant to a governmental or legal requirement.

ARTICLE IX – INDEPENDENT CONTRACTOR: CONSULTANT enters into this AGREEMENT as an independent contractor and not as an AGENCY employee. Nothing in this AGREEMENT shall be inconsistent with this relationship or status.

ARTICLE X – INDEMNIFICATION AND DEFENSE: CONSULTANT shall indemnify and hold Agency harmless against claims, liability, or loss for injury or death to person, destruction or damage to or loss of use or diminution in value of property, injury to the environment, economic loss, or fines or penalties, and for associated legal costs, fees, and expenses including attorney and consultant fees, arising out of or relating to CONSULTANT's services (Claims).

This duty to indemnify shall not extend to Claims to the extent caused by the willful misconduct or active negligence of Agency. In such case, the obligation to indemnify shall be reduced proportionately by the percentage to which Agency's willful misconduct or active negligence caused, or contributed to the cause of, the Claim. This duty to indemnify shall extend to Claims by any employee of CONSULTANT or its subcontractors or suppliers.

In addition to and separate from its duty to indemnify, CONSULTANT shall defend Agency against suits, actions, or proceedings founded upon Claims. This duty to defend arises upon the commencement of the suit, action, or proceeding founded upon Claims and exists irrespective of any obligation of CONSULTANT to indemnify.

CONSULTANT's duties to indemnify and defend are not limited in scope or amount to insurance required by this Agreement.

CONSULTANT's duties to indemnify and defend shall survive the completion of the CONSULTANT's work.

ARTICLE XI – INSURANCE: CONSULTANT shall procure and maintain the insurance coverage as set forth in EXHIBIT C, attached herewith, and CONSULTANT shall provide a Certificate of Insurance to AGENCY within 14 days of execution of this Agreement, naming AGENCY as Additional Insured, for the term of this Agreement.

ARTICLE XII - ADDITIONAL PROVISIONS: Any and all alterations, modifications, changes, or additions to the terms and provisions of this AGREEMENT that may affect the liability, duties, or responsibilities of either Party hereto is not valid and shall not be effective without first receiving written consent to such change, alteration, modification, or addition from the other Party.

ARTICLE XIII – PROPRIETARY DATA: All information, data, or systems ("work") will be provided such that they will stand alone, such that the work does not require purchase of other

information, programs, or systems necessary for the unrestricted use of the work to meet the needs of the AGENCY. CONSULTANT shall advise AGENCY in advance of undertaking any work if any propriety system is to be used by CONSULTANT. If such notice is not given, the system, programs, or method used by the CONSULTANT shall not be deemed proprietary. If a propriety system is used, a minimum of one copy of the information or program will be provided with the contract unless AGENCY already has the system or more than one copy is provide with the contract.

ARTICLE XIV – MARK UP AND REIMBURSEMENTS: If a markup is to be applied to reimbursements and overhead as part of CONSULTANT's proposal, CONSULTANT will be compensated for such reimbursement and overhead markup applied to direct or indirect expenses as shown below:

(a) AGENCY will pay a maximum of 5-percent markup, including markup applied to any contract for sub-contractors, or unless a lower markup is specified in the proposal. This 5- percent is not cumulative in that the AGENCY will not pay markup on mark up. Bids/proposals shall provide these costs in the bid/proposal provided to the AGENCY. If such costs are not included at that time, they shall not be charged during the course of the work.

(b) AGENCY will not pay CONSULTANT for out of pocket expenses such as local travel, mileage, car rental, meals, phone calls, data management, and other overhead incidentals unless specifically accepted as part of the proposal costs]. AGENCY will pay for reproducing of documents, copying costs, postage, and courier delivery (requested by AGENCY) at the rate and quantity described in the Proposal, or reimbursed for the actual out-of-pocket expenses, without mark-up, if not included in the Proposal.

(c) The Agency will not pay for any equipment or equipment rental needed to complete the work such as GPS units, survey equipment, and computers.

(d) Products purchased or provided by the CONSULTANT at the AGENCY's request such as software, hardware and supplies will be billed at cost plus applicable shipping, handling, and taxes, without markup.

ARTICLE XV – NOTICES: Any notice required to be given by one Party to the other Party shall be sufficient if given in writing, mailed via registered or certified mail, postage prepaid, addressed as respectively indicated, or at such other place as the applicable party may from time to time designate by written notice. Notice shall be deemed given upon deposit in the US Mail.

A. To the CONSULTANT addressed to:

Consultant Contact
Consultant Company Name (*if any*)
Consultant's Address

B. To the AGENCY addressed to:

Rath Moseley, General Manager
South Feather Water and Power Agency
2310 Oroville Quincy Hwy
Oroville, CA 95966

ARTICLE XVI - SUCCESSORS AND ASSIGNS: CONSULTANT agrees and understands that AGENCY is retaining the services of CONSULTANT based on the unique experience and expertise of CONSULTANT and the professional experience and expertise of the personnel, including sub-consultants, who CONSULTANT has advised AGENCY will be assigned to the Project. CONSULTANT has studied the project as part of its proposal and commits that it has the staff and resources to complete the Project. Therefore, CONSULTANT shall not assign its interest

in this AGREEMENT, nor voluntarily change, reassign, or redeploy those key personnel and sub-consultants assigned to the Project, without the express, prior approval of AGENCY, which approval shall be within the AGENCY's sole and unlimited discretion. Subject to such rights of the AGENCY and the limitations on assignment by CONSULTANT, this AGREEMENT shall be binding upon the heirs, successors, executors, administrators, and assigns of AGENCY and CONSULTANT. No assignment by CONSULTANT shall relieve CONSULTANT of its obligations hereunder without the express, written release, of AGENCY.

ARTICLE XVII – MERGER: This Agreement constitutes the final agreement between the parties. It is the complete and exclusive expression of the parties' agreement on the matters contained in this Agreement. All prior and contemporaneous negotiations and agreements between the parties on the matters contained in this Agreement are expressly merged and superseded by this Agreement. In entering into this Agreement, neither party has relied upon any statement representation, warranty, or agreement of the other party except for those expressly contained in this Agreement.

ARTICLE XVIII – AMENDMENT: The Parties may not amend this Agreement, except by written agreement of the parties.

ARTICLE XIX - QUALITY ASSURANCE: All materials, including documents, drawings, and maps prepared by Consultant shall be of the highest professional quality and standard. Consultant shall proofread all documents to be delivered to Agency, and shall ensure, without limitation, that such materials are free of spelling, grammar, punctuation, and syntax errors. If Consultant fails to deliver error-free materials, Agency reserves the right to identify revisions and require the consultant to revise and resubmit the document to the Agency for further review. None of the costs for corrections or resubmittal, such as labor and printing, shall be charged to the Agency.

ARTICLE XX – HANDLING OF PROJECT RELATED INFORMATION: Consultant and its subcontractors or employees shall not promote, distribute, or present materials or information concerning this project without the expressed permission of the General Manager or his assigns. Requests for information on this project shall be approved by the Agency prior to release.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this AGREEMENT, on the respective dates indicated below.

CONSULTANT:

AGENCY:

By _____
Representative, Title

By _____
Rath Mosely, General Manager
South Feather Water and Power Agency

Date _____

Date _____

*CONSULTANT shall attach a Resolution authorizing an individual to execute agreements on behalf of a corporation. CONSULTANT shall also attach a current IRS Form W-9 providing an Employer Identification Number (EIN) and/or Social Security Number (SSN) if sole proprietor.

EXHIBIT A

CONSULTING SERVICES

Project Name (FATR #)

TASK ORDER NO. 1

The Agency hereby requests and authorizes the CONSULTANT to perform the following services:

SCOPE OF SERVICES:

TIME FOR COMPLETION:

SPECIAL CONDITIONS:

DELIVERABLES:

FEE FOR SERVICE AND METHOD FOR DETERMINING FEE:

Time and materials per attached Schedule of Billing Rates (EXHIBIT B) not to exceed amounts set forth in CONSULTANT's proposal described under scope of services, in the amount of \$_____.

Services covered by this task order shall be performed, and payment for such services shall be made, all in accordance with that AGREEMENT between AGENCY and CONSULTANT dated _____.

CONSULTANT:

AGENCY:

By _____
Representative, Title

By _____
Rath Mosely, General Manager
South Feather Water and Power Agency

Date _____

Date _____

EXHIBIT B

CONSULTING SERVICES

Project Name (FATR #)

COMPENSATION SCHEDULE

[Insert information provided by Consultant.]

CONSULTANT:

By _____
Representative, Title

Date _____

AGENCY:

By _____
Rath Mosely, General Manager
South Feather Water and Power Agency

Date _____

EXHIBIT C

INSURANCE REQUIREMENTS FOR CONSULTANTS

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his/her agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001).
2. Insurance Services Office Form CA 00 01 covering Automobile Liability, Code 1 (any auto).
3. Workers' compensation insurance as required by the State of California and Employer's Liability Insurance.
4. Errors and Omissions Liability Insurance appropriate to the consultant's profession. Architects' and engineers' coverage is to be endorsed to include contractual liability.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

1.	General Liability: <i>Including operations, products and completed operations.</i>	\$1,000,000	Per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2.	Automobile Liability:	\$1,000,000	Per accident for bodily injury and property damage.
3.	Employer's Liability	\$1,000,000	Per accident for bodily injury or disease.
4.	Errors & Omissions Liability:	\$1,000,000	Per occurrence.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the Agency. At the option of the Agency, either (a) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Agency, its officers, officials, employees and volunteers, or (b) the Consultant shall provide a financial guarantee satisfactory to the Agency guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

EXHIBIT C

1. The Agency, its officers, officials, employees and volunteers are to be covered as insureds as respects: liability arising out of work or operations performed by or on behalf of the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the Agency, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return-receipt requested, has been given to the Agency.

If Errors and Omissions coverage is written on a claims-made form:

1. The retroactive date must be shown, and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, the Consultant must purchase an extended period coverage for a minimum of five (5) years after completion of contract work.
4. A copy of the claims reporting requirements must be submitted to the Agency for review.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the Agency.

Verification of Coverage

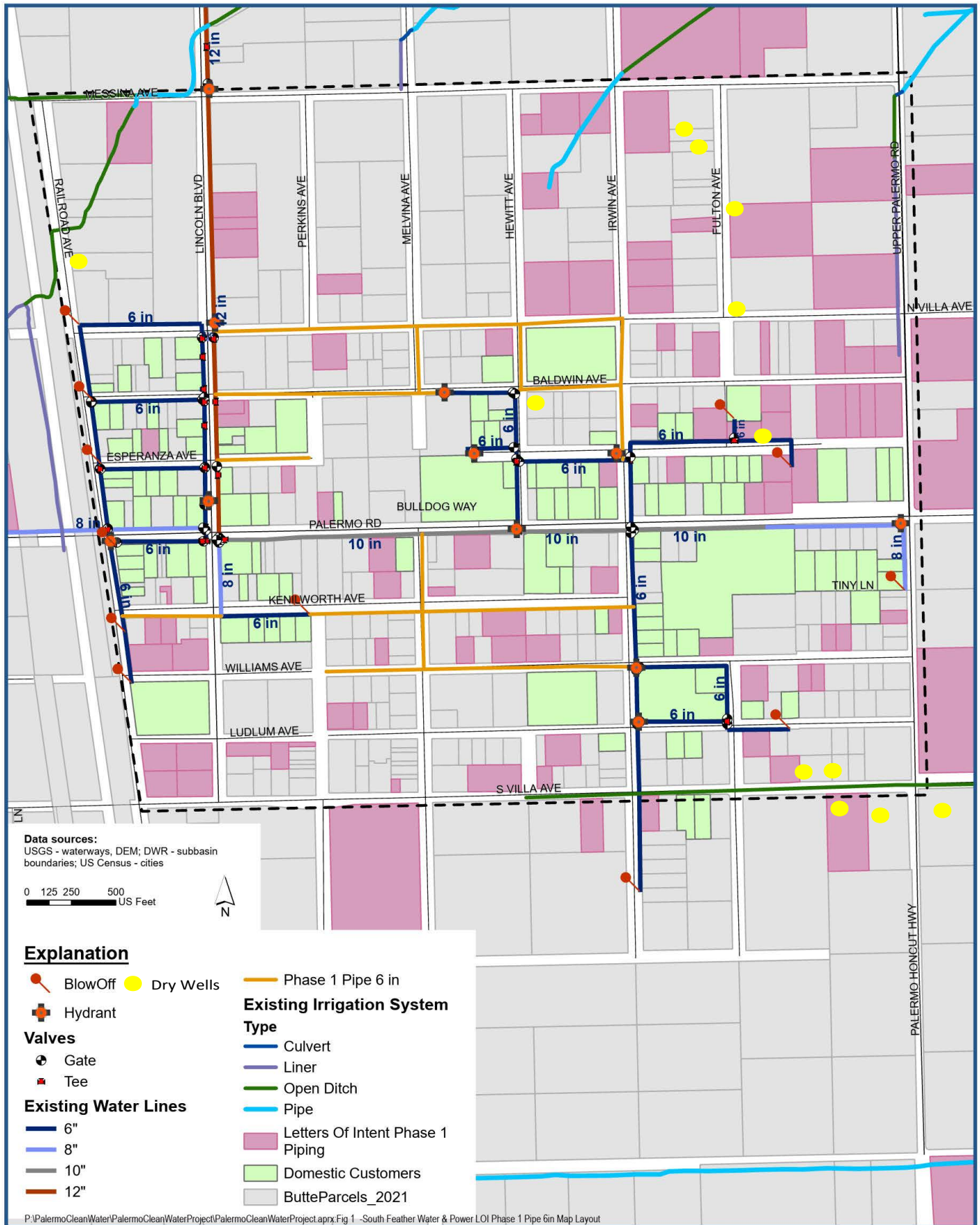
Consultant shall furnish the Agency with original certificates and endorsements, including amendatory endorsements, effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Agency before work commences; however, failure to do so shall not operate as a waiver of these insurance requirements. The Agency reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Waiver of Subrogation

Consultant hereby agrees to waive subrogation which any insurer may acquire by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

The workers' compensation policy shall be endorsed to contain a waiver of subrogation in favor of the Agency for all work performed by the Consultant, its agents, employees, independent contractors and subcontractors.

Exhibit B - Dry Well Location Map



P:\PalermoCleanWater\PalermoCleanWaterProject\PalermoCleanWaterProject.aprx; Fig. 1 -South Feather Water & Power LOI Phase 1 Pipe 6in Map Layout



Letters of Intent and Phase 1 Piping

Palermo Clean Water Consolidation Project
 Butte County

Figure 1