

CONSULTANT SERVICES AGREEMENT

Authorizing Agreement No. _____

THIS AGREEMENT is entered into as of the ____ day of September, 2017, by and between the CITY OF CALISTOGA, herein called the "City," and PAVEMENT ENGINEERING, INC., herein called the "Consultant."

Recitals

WHEREAS, City desires to obtain contract administration, engineering support, inspection and quality assurance in connection with the 2017 Microsurfacing Project; and

WHEREAS, Consultant hereby warrants to the City that Consultant is skilled and able to provide such services described in Section 3 of this Agreement; and

WHEREAS, City desires to retain Consultant pursuant to this Agreement to provide the services described in Section 3 of this Agreement.

Agreement

NOW, THEREFORE, in consideration of their mutual covenants, the parties hereto agree as follows:

1. Incorporation of Recitals. The recitals set forth above, and all defined terms set forth in such recitals and in the introductory paragraph preceding the recitals, are hereby incorporated into this Agreement as if set forth herein in full.
2. Project Coordination.
 - A. City. The Public Works Director or his designee, shall represent City for all purposes under this Agreement. The Public Works Director or designee is hereby designated as the Project Manager. The Project Manager shall supervise the progress and execution of this Agreement.
 - B. Consultant. The Consultant shall assign Joseph Ririe, Principal, to have overall responsibility for the progress and execution of this Agreement for Consultant.
3. Scope and Performance of Services.
 - A. Scope of Services. Subject to such policy direction and approvals as the City through its staff may determine from time to time, Consultant shall perform the services set out in the "Scope of Work" attached hereto as Exhibit A and incorporated herein by reference.
 - B. Time of Performance. The services of Consultant are to commence no sooner than September 5, 2017 and be completed not later than October 31, 2017. Consultant shall perform its services in accordance with the schedule as outlined in Exhibit A. Any changes

to these dates in either this Section 3 or Exhibit A must be approved in writing by the Project Manager.

C. Standard of Quality. City relies upon the professional ability of Consultant as a material inducement to entering into this Agreement. All work performed by Consultant under this Agreement shall be in accordance with all applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

4. Compensation and Method of Payment.

A. Compensation. The compensation to be paid to Consultant, including both payment for professional services and reimbursable expenses, shall be lump sum at the rate and schedules attached hereto as Exhibit A, and incorporated herein by reference. However, in no event shall the amount City pays Consultant exceed Forty Four Thousand Four Hundred Ten Dollars (\$44,410). Payment by City under this Agreement shall not be deemed a waiver of unsatisfactory work, even if such defects were known to the City at the time of payment.

B. Timing of Payment.

Consultant shall submit itemized monthly statements for work performed. City shall make payment, in full, within thirty (30) days after approval of the invoice by the Project Manager.

C. Changes in Compensation. Consultant will not undertake any work that will incur costs in excess of the amount set forth in Paragraph 4(A) without prior written amendment to this Agreement.

D. Taxes. Consultant shall pay all taxes, assessments and premiums under the federal Social Security Act, any applicable unemployment insurance contributions, Workers Compensation insurance premiums, sales taxes, use taxes, personal property taxes, or other taxes or assessments now or hereafter in effect and payable by reason of or in connection with the services to be performed by Consultant.

E. No Overtime or Premium Pay. Consultant shall receive no premium or enhanced pay for work normally understood as overtime, i.e., hours that exceed forty (40) hours per work week, or work performed during non-standard business hours, such as in the evenings or on weekends. Consultant shall not receive a premium or enhanced pay for work performed on a recognized holiday. Consultant shall not receive paid time off for days not worked, whether it be in the form of sick leave, administrative leave, or for any other form of absence.

F. Litigation Support. Consultant agrees to testify at City's request if litigation is brought against City in connection with Consultant's work product. Unless the action is brought by Consultant or is based upon Consultant's negligence, City will compensate Consultant for the preparation and the testimony at Consultant's standard hourly rates, if requested by City and not part of the litigation brought by City against Consultant.

5. Amendment to Scope of Work. City shall have the right to amend the Scope of Work within the Agreement by written notification to the Consultant. In such event, the compensation and time of performance shall be subject to renegotiation upon written demand of either party to the Agreement. Consultant shall not commence any work exceeding the Scope of Work without prior written authorization from the City. Failure of the Consultant to secure City's written authorization for extra or changed work shall constitute a waiver of any and all right to adjustment in the contract price or time due, whether by way of compensation, restitution, quantum meruit, etc. for work done without the appropriate City authorization.

6. Term. This Agreement shall commence upon its execution and shall continue in full force and effect until completed, amended pursuant to Section 21, or otherwise terminated as provided herein.

7. Inspection. Consultant shall furnish City with every reasonable opportunity for City to ascertain that the services of Consultant are being performed in accordance with the requirements and intentions of this Agreement. All work done and all materials furnished, if any, shall be subject to the Project Manager's inspection and approval. The inspection of such work shall not relieve Consultant of any of its obligations to fulfill the Agreement as prescribed.

8. Ownership of Documents. Title to all plans, specifications, maps, estimates, reports, manuscripts, drawings, descriptions and other final work products compiled by the Consultant under the Agreement shall be vested in City, none of which shall be used in any manner whatsoever, by any person, firm, corporation, or agency without the expressed written consent of the City. Basic survey notes and sketches, charts, computations, and other data prepared or obtained under the Agreement shall be made available, upon request, to City without restriction or limitations on their use. Consultant may retain copies of the above-described information but agrees not to disclose or discuss any information gathered, discussed or generated in any way through this Agreement without the written permission of City during the term of this Agreement, unless required by law.

9. Employment of Other Consultants, Specialists or Experts. Consultant will not employ or otherwise incur an obligation to pay other consultants, specialists, or experts for services in connection with this Agreement without the prior written approval of the City.

10. Conflict of Interest.

A. Consultant covenants and represents that neither it, nor any officer or principal of its firm, has, or shall acquire any investment, income, business entity, interest in real property, or other interest, directly or indirectly, which would conflict in any manner with the interests of City, hinder Consultant's performance of services under this Agreement, or be affected in any manner or degree by performance of Consultant's services hereunder. Consultant further covenants that in the performance of the Agreement, no person having any such interest shall be employed by it as an officer, employee, agent, or subcontractor without the express written consent of the City. Consultant agrees to at all times avoid conflicts of interest, or the appearance of any conflicts of interest, with the interests of the City in the performance of the Agreement.

B. Consultant is not a designated employee within the meaning of the Political Reform Act because Consultant:

(1) will conduct research and arrive at conclusions with respect to its rendition of information, advice, recommendation, or counsel independent of the control and direction of the City or of any City official, other than normal contract monitoring; and

(2) possesses no authority with respect to any City decision beyond the rendition of information, advice, recommendation, or counsel. (2 Cal. Code Regs. § 18700(a)(2).)

11. Liability of Members and Employees of City. No member of the City and no other officer, employee or agent of the City shall be personally liable to Consultant or otherwise in the event of any default or breach of the City, or for any amount which may become due to Consultant or any successor in interest, or for any obligations directly or indirectly incurred under the terms of this Agreement.

12. Indemnity. To the fullest extent permitted by law, Consultant hereby agrees to defend (by counsel reasonably satisfactory to the City), indemnify, and hold harmless the City, its officers, agents, employees, volunteers, and servants, from and against any and all claims, demands, damages, costs, liabilities, or obligations brought on account of or arising out of any acts, errors, or omissions of Consultant, its officers, employees, agents, and subcontractors undertaken pursuant to this Agreement excepting liabilities due to the sole negligence or willful misconduct of City. The City has no liability or responsibility for any accident, loss, or damage to any work performed under this Agreement whether prior to its completion and acceptance or otherwise. Consultant's duty to indemnify and hold harmless, as set forth herein, shall include the duty to defend as set forth in California Civil Code § 2778. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable by or for Consultant under Worker's Compensation, disability or other employee benefit acts or the terms, applicability or limitations of any insurance held or provided by Consultant and shall continue to bind the parties after termination/completion of this agreement.

13. Consultant Not an Agent of City. Consultant, its officers, employees and agents shall not have any power to bind or commit the City to any decision.

14. Independent Contractor. It is expressly agreed that Consultant, in the performance of the work and services agreed to be performed by Consultant, shall act as and be an independent contractor and not an agent or employee of City; and as an independent contractor, Consultant shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights.

15. Compliance with Laws.

A. General. Consultant shall use the standard of care in its profession to comply with all applicable federal, state, and local laws, codes, ordinances, and regulations. Consultant represents and warrants to City that it has and shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, insurance

and approvals which are legally required for Consultant to practice its profession. Consultant shall maintain a City business license. The City is not responsible or liable for Consultant's failure to comply with any or all of the requirements contained in this paragraph.

B. Workers' Compensation. Consultant certifies that it is aware of the provisions of the California Labor Code which require every employee to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and Consultant certifies that it will comply with such provisions before commencing performance of the Agreement and at all times in the performance of the Agreement.

C. Prevailing Wage. Consultant and Consultant's subconsultants (if any) shall, to the extent required by the California Labor Code, pay not less than the latest prevailing wage rates to workers and professionals as determined by the Director of Industrial Relations of the State of California pursuant to California Labor Code, Part 7, Chapter 1, Article 2. Copies of the applicable wage determination are on file at the City's Public Works Department office.

D. Injury and Illness Prevention Program. Consultant certifies that it is aware of and has complied with the provisions of California Labor Code § 6401.7, which requires every employer to adopt a written injury and illness prevention program.

E. City Not Responsible. City is not responsible or liable for Consultant's failure to comply with any and all of its requirements under this section and Agreement.

F. Waiver of Subrogation. Consultant and Consultant's insurance company agree to waive all rights of subrogation against City, its elected or appointed officials, officers, agents, employees, and volunteers for losses paid under Consultant's workers' compensation insurance policy which arise from the work performed by Consultant for the City.

16. Confidential Information. All data, documents, discussions or other information developed or received by or for Consultant in performance of this Agreement are confidential and not to be disclosed to any person except as authorized by the City, or as required by law.

17. Assignment; Subcontractors; Employees.

A. Assignment. Consultant shall not assign, delegate, transfer, or convey its duties, responsibilities, or interests in this Agreement or any right, title, obligation, or interest in or to the same or any part thereof without the City's prior written consent. Any assignment without such approval shall be void and, at the City's option, shall immediately cause this Agreement to terminate.

B. Subcontractors; Employees. Consultant shall be responsible for employing or engaging all persons necessary to perform the services of Consultant hereunder. No subcontractor of Consultant shall be recognized by the City as such; rather, all subcontractors are deemed to be employees of the Consultant, and Consultant agrees to be responsible for their performance. Consultant shall give its personal attention to the fulfillment of the provisions of this Agreement by all of its employees and subcontractors, if any, and shall keep the work under its control. If any employee or subcontractor of Consultant fails or refuses to carry out the

provisions of this Agreement or appears to be incompetent or to act in a disorderly or improper manner, it shall be discharged immediately from the work under this Agreement on demand of the Project Manager.

18. Insurance.

A. Minimum Scope of Insurance.

(1) Consultant agrees to have and maintain, for the duration of this Agreement, a General Liability insurance policy insuring it and its firm to an amount not less than \$2,000,000 (Two Million Dollars) combined single limit per occurrence and in the aggregate for bodily injury, personal injury, and property damage.

(2) Consultant agrees to have and maintain, for the duration of this Agreement, an Automobile Liability insurance policy insuring it and its staff to an amount not less than \$1,000,000 (One Million Dollars) combined single limit per accident for bodily injury and property damage.

(3) Consultant shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors, or omissions which may arise from Consultant's operations under this Agreement, whether such operations be by Consultant or by its employees, subcontractors, or subconsultants. The amount of this insurance shall not be less than \$1,000,000 (One Million Dollars) on a claims-made annual aggregate basis.

(4) A Workers' Compensation and Employers' Liability policy written in accordance with the laws of the State of California and providing coverage for any and all employees of Consultant:

(a) This policy shall provide coverage for Workers' Compensation (Coverage A).

(b) This policy shall also provide required coverage for Employers' Liability (Coverage B).

(5) All of the following endorsements are required to be made a part of each of the required policies, except for the Professional Liability and Workers' Compensation and Employers' Liability policies, as stipulated below:

(a) "The City of Calistoga, its officials, officers, agents, employees, and volunteers are hereby added as additional insureds, but only as respects work done by, for, or on behalf of the named insured."

(b) "This policy shall be considered primary insurance as respects any other valid and collectible insurance the City may possess, including any self-insured retention the City may have, and any other insurance the City does possess shall be considered excess insurance only and shall not contribute with it."

(c) "This insurance shall act for each insured and additional insured as though a separate policy had been written for each. This, however, will not act to increase the limit of liability of the insuring company."

(6) Consultant shall provide to City all certificates of insurance with original endorsements effecting coverage required by this paragraph. Certificates of such insurance shall be filed with City on or before commencement of performance of this Agreement. City reserves the right to require complete, certified copies of all required insurance policies at any time.

(7) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officials, officers, agents, employees, and volunteers.

(8) Consultant's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

B. All Coverages. Each insurance policy required shall provide that coverage shall not be canceled, except after 30-days' prior written notice by certified mail, return receipt requested, has been given to City. Current certification of such insurance shall be kept on file with the City Manager at all times during the term of this Agreement.

C. Acceptability of Insurers. Insurance is to be placed with insurers with a Best's rating of no less than A:VII.

D. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. At the City's option, Consultant shall demonstrate financial capability for payment of such deductibles or self-insured retentions.

E. Verification of Coverage. Consultant shall furnish the City with original Certificate(s) of Insurance verifying Consultant's receipt of the insurance coverage required herein.

19. Termination of Agreement; Default.

A. This Agreement and all obligations hereunder may be terminated at any time, with or without cause, by the City upon 5-days' written notice to Consultant.

B. If Consultant fails to perform any of its obligations under this Agreement within the time and in the manner herein provided or otherwise violate any of the terms of this Agreement, in addition to all other remedies provided by law, City may terminate this Agreement immediately upon written notice. In such event, Consultant shall be entitled to receive as full payment for all services satisfactorily rendered and expenses incurred hereunder, an amount which bears the same ratio to the total fees specified in the Agreement as the services satisfactorily rendered hereunder by Consultant bear to the total services otherwise required to be performed for such total fee; provided, however, that the City shall deduct from such amount the

amount of damages, if any, sustained by City by virtue of the breach of the Agreement by consultant.

C. In the event this Agreement is terminated by City without cause, Consultant shall be entitled to any compensation owing to it hereunder up to the time of such termination, it being understood that any payments are full compensation for services rendered prior to the time of payment.

D. Upon termination of this Agreement with or without cause, Consultant shall turn over 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 subcontractors, if any, or given to Consultant or its subcontractors, if any, in connection with this Agreement. Such materials shall become the permanent property of the City. Consultant, however, shall not be liable for the City's use of incomplete materials nor for the City's use of complete documents if used for other than the project contemplated by this Agreement.

20. Suspension. The City shall have the authority to suspend this Agreement and the services contemplated herein, wholly or in part, for such period as it deems necessary due to unfavorable conditions or to the failure on the part of the Consultant to perform any provision of this Agreement. Consultant will be paid for satisfactory Services performed through the date of temporary suspension.

21. Merger; Amendment. This Agreement constitutes the complete and exclusive statement of the agreement between the City and Consultant and shall supersede all prior negotiations, representations, or agreements, either written or oral. This document may be amended only by written instrument, signed by both the City and Consultant. All provisions of this Agreement are expressly made conditions.

22. Interpretation. This Agreement shall be interpreted as though it was a product of a joint drafting effort and no provisions shall be interpreted against a party on the ground that said party was solely or primarily responsible for drafting the language to be interpreted.

23. Litigation Costs. If either party becomes involved in litigation arising out of this Agreement or the performance thereof, the court in such litigation shall award reasonable costs and expenses, including attorneys' fees, to the prevailing party. In awarding attorneys' fees, the court will not be bound by any court fee schedule, but shall, if it is in the interest of justice to do so, award the full amount of costs, expenses, and attorneys' fees paid or incurred in good faith.

24. Time of the Essence. Time is of the essence of this Agreement.

25. Written Notification. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be in writing and either served personally or sent by prepaid, first class mail. Any such notice, demand, etc. shall be addressed to the other party at the address set forth below. Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated within 72 hours from the time of mailing if mailed as provided in this section.

If to City: City Clerk
City of Calistoga
1232 Washington Street.
Calistoga, CA 94515

If to Consultant: Joseph L. Ririe, P.E.
Pavement Engineering, Inc.
3485 Sacramento Drive, Ste. A
San Luis Obispo, CA 93401

26. Consultant's Books and Records.

A. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to the City and all documents and records which demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

B. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Attorney, City Auditor, City Manager, or a designated representative of any of these officers. Copies of such documents shall be provided to the City for inspection when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.

C. The City may, by written request by any of the above-named officers, require that custody of the records be given to the City and that the records and documents be maintained in the City Manager's office.

27. Agreement Binding. The terms, covenants, and conditions of this Agreement shall apply to, and shall bind, the heirs, successors, executors, administrators, assigns, and subcontractors of both parties.

28. Equal Employment Opportunity. Consultant is an equal opportunity employer and agrees to comply with all applicable state and federal regulations governing equal employment opportunity. Consultant will not discriminate against any employee or applicant for employment because of race, age, sex, creed, color, sexual orientation, marital status or national origin. Consultant will take affirmative action to ensure that applicants are treated during such employment without regard to race, age, sex, creed, color, sexual orientation, marital status, or national origin. Such action shall include, but shall not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; lay-offs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Consultant further agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

29. City Not Obligated to Third Parties. The City shall not be obligated or liable for payment hereunder to any party other than the Consultant.

30. Waiver. No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that party may have hereunder.

31. Severability. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

32. Exhibits. The following exhibits are attached to this Agreement and incorporated herein by this reference:

A. Exhibit A: Scope of Work & Compensation

33. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

34. News Releases/Interviews. All Consultant and subconsultant news releases, media interviews, testimony at hearings and public comment shall be prohibited unless expressly authorized by the City.

35. Applicable Law; Venue. This Agreement shall be construed and interpreted according to California law. In the event that suit shall be brought by either party hereunder, the parties agree that trial of such action shall be held exclusively in a state court in the County of Napa, California.

36. Authority. Each individual executing this Agreement on behalf of one of the parties represents that he or she is duly authorized to sign and deliver the Agreement on behalf of such party and that this Agreement is binding on such party in accordance with its terms.

IN WITNESS WHEREOF, the City and Consultant have executed this Agreement as of the date first above written.

CITY OF CALISTOGA

PAVEMENT ENGINEERING, INC.

By: _____
Dylan Feik, City Manager

By: _____
Joseph L. Ririe, Principal

Date: _____

Date: _____

ATTEST:

By: _____
Kathy Flamson, Deputy City Clerk

EXHIBIT "A"

SCOPE OF WORK & COMPENSATION

EXHIBIT "A"



August 5, 2017

MP17-414

Michael T. Kirn
Public Works Director/City Engineer
City of Calistoga
414 Washington Street
Calistoga, CA 94515

AUG 14 2017

Subject: Proposal for Contract Administration, Engineering Support, Inspection and Quality Assurance for the FY 2017/2018 Pavement Maintenance Project

Dear Mike:

We appreciate the confidence you have in our services and look forward to continuing working with you and the City of Calistoga on the FY 2017/2018 Pavement Maintenance Project. This proposal outlines our services and fees:

SCOPE OF WORK

Task 1: Contract Administration, Engineering Support, Inspection and QA

1.1 – Construction Engineering Support

PEI will provide construction engineering support throughout the project. The engineer assigned to the project will work closely with the City and will provide support as requested.

1.2 – Construction Administration Services

Contract administration services include: attending meetings, including preconstruction, progress and final inspection; reviewing schedule and technical submittals; reviewing payment requests; technical change order development; and processing final payments.

1.3 - Construction Inspection Services

During paving operations, PEI will provide full-time inspection services to ensure a quality product for the City. Our inspection services are designed to provide a greater degree of confidence that the contractor's completed work will conform substantially to the design concepts reflected in the contract documents. Our daily reports will include a detailed accounting of work performed each day.

PEI's inspection staff is Caltrans certified and has performed inspection on numerous Caltrans QC/QA projects as well as other public and private projects.

Testing services include the field and laboratory testing necessary to assure that the contractor is providing the required quality of workmanship and materials during construction. Field testing involves performing field density tests using a nuclear density gauge.

During paving operations, PEI will provide one inspector to collect samples and monitor compaction. The inspector will provide field density tests using a nuclear density gauge to monitor the contractor's compaction efforts. Monitoring the compaction efforts of the contractor while the asphalt concrete materials are being placed will help ensure that optimum compaction is achieved. Once the asphalt concrete has cooled, the opportunity to obtain higher compaction is lost. Our inspector's goal is to work with the contractor by providing compaction feedback to achieve the highest relative density possible. Our inspector will also provide laydown inspection including thickness control and monitoring temperature as well as placement of HMA. The longevity of asphalt concrete is dependent upon its proper placement and compaction. Our inspectors and technicians are qualified and equipped to perform the field testing tasks for pavement rehabilitation projects.

If compaction fails during construction, PEI is equipped to provide, as additional services, the core density/ nuclear gauge correlation and/ or core densities to establish compaction as outlined in the contract documents.

1.4 - Laboratory Testing and Quality Assurance

During construction, PEI will include quality assurance testing of the asphalt concrete materials.

PEI will collect asphalt concrete samples and perform mix design tests from every 750 tons of asphalt concrete placed or one test per paving day for surface course material. Asphalt mix tests include determining the following: Stability (CTM 366), LTMD (CTM 308), Rice Gravity (CTM 309), Asphalt Content (CTM 382) and Air Voids Content (CTM 367).

During the placement of the chip and slurry seal materials, we will collect oil samples from the truck and return them to our laboratory for possible future testing. No tests will be performed unless material problems occur in the field. Aggregate samples will be collected and gradations performed to ensure the material is meeting specifications. The exact frequency of these tests can be determined; however, we propose performing one grading per day of placement.

PEI will prepare a final report that summarizes all of the laboratory tests and will address the contractor's compliance with specifications, plans, and applicable adopted standards. Copies of the compaction reports will be included. The report will outline any areas of non-compliance.

It should be noted that PEI will be monitoring the materials' and contractor's compliance to the plans and specifications throughout the project and will report non-compliant issues as soon as possible so that the City can notify the contractor that the item will need to be addressed or that a deduction will be in order.

In addition to the final report, PEI is committed to providing constant feedback throughout the project. Having up to date information on the contractor's ability to be in general conformance to the project specifications throughout the project will assist the City in managing and assuring the best possible product. Knowing immediately, in some cases the next day, that density was low or the supplied material is not meeting the specified criteria, creates a pro-active environment to correct the problems as they come up, not after the fact.

CITY RESPONSIBILITIES

As part of this project, the City of Calistoga agrees to perform the following services:

- a). Once the project is awarded by City Council, prepare the award package to send to the contractor.
- b). Labor compliance
- c). When the work is complete, prepared a staff report, resolution, and Notice of Completion (NOC) requesting the City Council to accept the work and approve the NOC.

PROPOSAL FEE & FEE BREAKDOWN

Our estimated fee to perform this work will be \$44,410. PEI has prepared an estimated fee based on our experience with similar projects and knowledge of similar construction. The contractor's actual schedule may result in a different level of effort. The outlined level of effort is based on an eight-hour day. We estimate 16 inspection days to inspect the digouts, leveling course and cape seal operations. The City will inspect the prep work and restriping.

We will invoice our work on a time and materials basis. The individual fees associated with each task will serve as guidelines for progress payments. Inspection services will be invoiced as follows:



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Between 0 and 4 hours will be invoiced at 4 hours
Between 4 and 8 hours will be invoiced at 8 hours

Overtime will be charged for days longer than eight hours. PEI requires a 72-hour notification of changes in the schedule or a full eight-hour day will apply. Our inspection fees account for prevailing wages.

This proposal assumes that the City will monitor the contractor, pertaining to all labor compliance issues.

The attached fee breakdown shows our projected costs for each project task, which will be invoiced on a time and material basis. The individual fees associated with each task will serve as guidelines for progress payments. All fees and costs associated with this project are subject to final negotiation with the City of Calistoga. Any change in scope may result in additional fees. The enclosed proposal conditions apply.

As always, PEI will go the extra mile and deliver services to the City of Calistoga with the highest degree of honesty, trust and professionalism. Please feel free to contact me at (805) 781-2265 with any questions.

Very truly yours,
PAVEMENT ENGINEERING INC.



Joseph L. Ririe, P.E.
Principal

Attachments: Fee Breakdown Schedule
Proposal Conditions

pc: C File, M File, MP File S/R/P



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**FEE BREAKDOWN FOR THE CITY OF CALISTOGA
 FY 2017/2018 PAVEMENT MAINTANCE PROJECT**

Task 1.1: Construction Engineering Support	Hourly Rate	Hours	Total
Senior Principal Engineer	\$225	16	\$3,600
Construction Manager	145	32	4,640
Total Estimated Fee Task 1.1			\$8,240
Task 1.2: Contract Administration Services	Hourly Rate	Hours	Total
Senior Principal Engineer	\$225	16	\$3,600
Construction Manager	145	32	4,640
Clerical	65	16	1,040
Total Estimated Fee Task 1.2			\$9,280
Task 1.3 Construction Inspection Services	Hourly Rate	Hours	Total
Construction Manager	\$145	32	\$4,640
Construction Inspector	125	128	16,000
Equipment / Vehicle Usage	120	16 days	1,920
Total Estimated Fee Task 1.3			\$22,560
Task 1.4 Laboratory Testing and Quality Assurance	Units Cost	Quantity	Total
Lab Manager	\$135	8	\$1,080
HMA Production Start Up	900	1	900
HMA Mix Tests	525	1	525
Aggregate Gradations	100	10	1,000
Burn off Calibration	300	1	300
Total Estimated Fee Task 1.4			\$4,330
Total Estimated Project Fee:			\$44,410

Overtime Rates
Inspection

Time and a Half
\$145 / hour

Double Time
\$170 / hour



PROPOSAL CONDITIONS

1. Proposal is valid for thirty days from the date of the proposal.
2. All work shall be performed utilizing common methods and practices of the civil engineering profession. Reports and construction documents will be signed by a registered civil engineer.
3. Fees for Lump Sum or Unit Price Proposals will be charged at the quoted price. The quoted prices include all laboratory testing costs. Fees for Engineering and Technical Services on a Time and Materials Basis will be charged at the applicable hourly rates of the current PEI Fee Schedule.
4. The proposal is based upon providing insurance with limits as defined in the referenced RFP.
5. One copy of an Engineering Report or Plans and Specifications will be provided to the Owner of a project. Additional copies are \$35 each.
6. Payment: Invoices will be submitted at the completion of the work for Engineering Reports. Inspection fees will be invoiced on a monthly basis. All invoices are due upon receipt. Interest of 1-1/2% per month (but not exceeding the maximum rate allowable by law) will be payable on any amounts not paid within 30 days, payment thereafter to be applied first to accrued interest and then to the principal unpaid amount. Attorney's fees or other costs incurred in collecting any delinquent amount shall be paid by the client.

