

**Meeting Date:** 7/14/2015

**Report Type:** Consent

**Report ID:** 2015-00608

**Title: Supplemental Agreement: Implementation of Integrated Planning and Asset Management Process and Action Plan**

**Location:** Citywide

**Recommendation:** Pass a Motion authorizing the City Manager or the City Manager's designee to execute Supplemental Agreement No. 1 to City Agreement No. 2014-0690 with MWH Americas, Inc. to provide for implementation of the Integrated Planning and Asset Management Process and Action Plan in an amount of \$705,270, bringing the agreement's total not-to-exceed amount to \$874,592.

**Contact:** Susan Goodison, Business Services Manager, (916) 808-8995; Rick Matsuo, Supervising Engineer, (916) 808-1728, Department of Utilities

**Presenter:** None

**Department:** Department Of Utilities

**Division:** Integrated Planning & Asst Man

**Dept ID:** 14001641

**Attachments:**

1-Description/Analysis

2-Background

3-Supplemental Agreement 1 for IPAM Action Plan

4-2014-0690 IPAM Action Plan MWH Americas

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**City Attorney Review**

Approved as to Form

Joe Robinson

7/2/2015 4:56:48 PM

**Approvals/Acknowledgements**

Department Director or Designee: Bill Busath - 6/26/2015 1:52:18 PM

## **Description/Analysis**

**Issue Detail:** In an effort to increase collaboration across business functions, promote teamwork, facilitate good practice and continuous improvement across the entire organization, the Department of Utilities (DOU) received City Council approval to enter into a professional services agreement with MWH Americas, Inc. to develop an integrated planning and asset management process and action plan (IPAM Action Plan) for DOU on July 22, 2014. The proposed supplemental agreement will add the implementation phase to the agreement.

**Policy Considerations:** Implementing the IPAM Action Plan is consistent with the DOU 2013-2017 Strategic Plan goals and objectives to effectively manage infrastructure assets ensuring reliable, clean, and safe water supply for the future.

**Economic Impacts:** None

**Environmental Considerations:** The Community Development Department, Environmental Planning Services has reviewed this action and has determined that approval of a consultant to assist with the implementation of the IPAM Action Plan is not a project as defined by CEQA, under section 15378 of CEQA Guidelines. This action is an administrative activity.

**Sustainability:** This action is consistent with the City's continuing goal to provide sustainable utility infrastructure in a cost effective manner.

**Commission/Committee Action:** Not Applicable

**Rationale for Recommendation:** In 2014, a Request for Qualifications (RFQ) was advertised for firms to provide an integrated planning and asset management framework and develop an action plan, with an option to provide action plan implementation. Eight proposals were received, evaluated, and ranked by a review panel and the top three were interviewed. Staff recommended and received approval from City Council to enter into an agreement with the top-ranked firm, MWH Americas, Inc., to provide the framework and action plan items. As outlined in the original council report dated July 22, 2014, the optional implementation item was not included in the first scope of work and staff proposed returning for City Council approval for the implementation phase of this project. Staff is now requesting City Council approval of a supplemental agreement with MWH Americas, Inc. to provide professional services for the IPAM Action Plan implementation.

**Financial Considerations:** The proposed supplemental agreement has a two-year term, beginning July 15, 2015 through June 30, 2017, with a total not-to-exceed amount of \$705,270 bringing the agreement's total not-to-exceed amount to \$874,592. There are sufficient resources for the current fiscal year in the DOU FY2015/16 Operating Budget, Department 14001041 – Fund Level Programs. Funding of the contract in FY2016/17 shall be subject to funding availability priorities in the adopted budget for that fiscal year.

**Local Business Enterprise (LBE):** MWH Americas, Inc. is a LBE.

## Background

In July 2013, the Department of Utilities (DOU) formed an Integrated Planning and Asset Management section to facilitate a more holistic approach to managing its resources that includes an integrated financial, capital, operational, and asset management planning framework. Specifically, this section is leading an effort to develop and implement an enhanced integrated planning and asset management strategy based on industry best practices identified in DOU's 2013-2017 Strategic Plan reliability goals and objectives.

The DOU believes an integrated planning and asset management process will not only be more effective and efficient, but will also help DOU continue to increase collaboration across business functions, promote teamwork, facilitate good practice and continuous improvement across the entire organization, and proactively address its future needs.

On July 22, 2014, City Council approved a professional services agreement with MWH Americas, Inc. in the not-to-exceed amount of \$169,322 to provide integrated planning and asset management process and action plan (IPAM Action Plan) framework and development (phase one). The council report also identified an optional implementation item (phase two) for which staff would return to City Council for approval.

MWH Americas, Inc. is currently completing the final tasks of the agreement's phase one scope of work. Staff has been pleased with the services of MWH Americas, Inc. and would like to move forward with them for phase two, implementation of the IPAM Action Plan for continued assistance with the project.

Staff is requesting approval of a supplemental agreement in the amount of \$705,270, for a total agreement not-to-exceed amount of \$874,592. The phase two scope of services includes implementation of ten initiatives:

**Initiative 1:** Improve data quality and analytics to support better asset lifecycle planning decisions

**Initiative 2:** Develop full Lifecycle Management Plan framework to increase transparency of drainage budget request and forecast

**Initiative 3:** Establish AM Group roles and responsibilities to drive asset management consistency

**Initiative 4:** Improve CMMS performance and work order management for operational efficiency

**Initiative 5:** Perform end-to-end review of procurement/inventory/warehousing to identify efficiency opportunities

**Initiative 6:** Develop project evaluation and prioritization process to increase consistency and defensibility of annual budgeting

**Initiative 7:** Streamline process for adding and retiring assets, crosswalking inventories and fixed asset register, and refining service lives

**Initiative 8:** Align business activities and outcomes to customer service levels and technical KPI's

**Initiative 9:** Include Public Outreach functional link to improve communication of work activities

**Initiative 10:** Implement warranty tracking process to better manage handover and costs

**SUPPLEMENTAL AGREEMENT**

**Project Title and Job Number: Integrated Planning and Asset Management Process and Action Plan      Date: 7/14/2015**  
**Purchase Order #:      Supplemental Agreement No.:1**

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The City of Sacramento ("City") and MWH Americas, Inc. ("Contractor"), as parties to that certain Professional Services Agreement designated as Agreement Number 2014-0690, including any and all prior supplemental agreements modifying the agreement (the agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. The scope of Services specified in Exhibit A of the Agreement is amended as follows:

**Attachment 1 to Exhibit A of the Agreement specifies a not-to-exceed amount of \$169,322. Additional funding is required for the implementation of the developed Integrated Planning and Asset Management Process and Action Plan. Contractor shall perform the services set forth in Attachment 2 to Exhibit A, attached hereto and incorporated herein, for a two year term beginning July 1, 2015 and ending June 30, 2017.**

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is **increased by \$705,270**, and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$169,322</u>
Net change by previous supplemental agreements:	<u>0</u>
Not-to-exceed amount prior to this supplemental agreement:	<u>\$169,322</u>
<b>Increase/decrease</b> by this supplemental agreement:	<u>\$705,270</u>
New Not-to exceed amount including all supplemental agreements:	<u>\$874,592</u>

3. Contractor agrees that the amount of increase in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.

4. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.

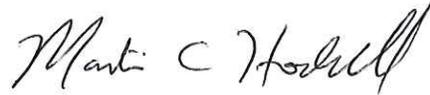
5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

**Approval Recommended By:**

**Approved As To Form By:**

  
\_\_\_\_\_  
Project Manager

\_\_\_\_\_  
City Attorney

**Approved By:**   
Mark C. Hodell, V.P.  
Contractor

**Attested To By:**

**Approved By:**

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City of Sacramento, Department of Utilities, Director

\_\_\_\_\_  
City Clerk

<b>IPAM-01</b> Improve data quality and analytics to support better asset lifecycle planning decisions			
<p><b>Initiative Overview</b></p> <p>This initiative will determine what physical asset data (excluding plant/facility) is critical for lifecycle planning practices, identify gaps and recommend enhancements to this critical dataset.</p>			
<b>Start Date</b>	August 2015	<b>Duration</b>	4 months
<p><b>Task Plan</b></p> <ol style="list-style-type: none"> <li>1. Kickoff meeting with Initiative Team leadership               <ul style="list-style-type: none"> <li>- Review task plan and confirm scope, schedule, resourcing and DOU input</li> <li>- Obtain export of Cityworks and GIS data</li> <li>- Review EAI schema, data migration paths and obtain export</li> <li>- Understand EAI queries and reporting</li> <li>- Review status of EAI project</li> </ul> </li> <li>2. Assess physical asset data requirements and its current state (quality, completeness)               <ul style="list-style-type: none"> <li>- Develop straw-man of critical physical attribute data (based on industry knowledge)</li> <li>- Review completeness of exported data against core attributes</li> <li>- Review GIS against best practices</li> <li>- Prepare presentation on current state and recommendations</li> </ul> </li> <li>3. Assess asset naming conventions and variances between core systems               <ul style="list-style-type: none"> <li>- Interview asset register maintainers and document naming conventions</li> <li>- Review naming conventions against best practices</li> <li>- Prepare presentation on current state and recommendations</li> </ul> </li> <li>4. Document core decision making functions and related data requirements               <ul style="list-style-type: none"> <li>- Workshop findings from above and capture issues/pain points</li> <li>- Build out depth in definition (additional critical data)</li> </ul> </li> <li>5. Develop improvement plan for critical data               <ul style="list-style-type: none"> <li>- Focus on data that can be improved by DOU staff with process enhancements</li> <li>- Recommend improvement activities and associated KPIs to monitor</li> <li>- Comment on wider improvement opportunities</li> <li>- Prepare Final Report for review</li> </ul> </li> <li>6. Support monitoring data quality and improvement activities</li> </ol>			
<p><b>Key Deliverables / Output</b></p> <ul style="list-style-type: none"> <li>▪ Workshop: Review findings from Task 2/3 and capture associate issues</li> <li>▪ Report: Physical Asset Data Improvement Plan (critical data definition, gaps and improvement activities with KPIs)</li> </ul>			

<b>IPAM-02</b>				<b>Develop full Lifecycle Management Plan (LCMP) framework to improve transparency of drainage rates increase</b>			
<b>Initiative Overview</b>							
This initiative will develop lifecycle management strategies (repair, replace, and maintain) and associated investment plans into a standardized lifecycle management plan template to increase the transparency and robustness of drainage investment needs, project prioritization and the financial forecast.							
<b>Start Date</b>		August 2015		<b>Duration</b>		4 months	
<b>Task Plan</b>							
<ol style="list-style-type: none"> <li>1. Kickoff meeting with Initiative Team leadership           <ul style="list-style-type: none"> <li>- Review task plan and confirm scope, schedule, resourcing and DOU input</li> <li>- Confirm status of drainage rate analysis</li> <li>- Determine focus areas based on feedback from drainage outreach</li> <li>- <b>NOTE:</b> IPAM-02 is a continuation of a preliminary assessment started under IPAM roadmap development project</li> </ul> </li> <li>2. Develop LCMP template for drainage that includes goals and objectives, levels of service, remaining life, risk management, criticality, budget development and prioritization           <ul style="list-style-type: none"> <li>- Provide examples of LCMP templates for DOU review</li> <li>- Develop LCMP template</li> </ul> </li> <li>3. Compile information for existing sources           <ul style="list-style-type: none"> <li>- Develop list of data gaps</li> <li>- Develop improvement plan for critical data coordinating with IPAM-01</li> </ul> </li> <li>4. Develop lifecycle management strategies (repair, replace, maintain) and associated analytics           <ul style="list-style-type: none"> <li>- Review DOU analysis for CIP improvement projects</li> <li>- Conduct workshop with DOU stakeholders to develop risk and lifecycle management framework and associated processes</li> <li>- Develop DOU standard definition of critical assets</li> <li>- Define requirements for how condition assessment will feed into risk framework</li> <li>- Develop risk assessment Tech Memo</li> </ul> </li> <li>5. Apply lifecycle management framework           <ul style="list-style-type: none"> <li>- Apply framework to critical drainage infrastructure to develop long term asset needs and remaining life</li> <li>- Develop high level asset replacement cost estimates</li> <li>- Refine/produce CIP and maintenance projects</li> <li>- Identify high priority areas for condition assessments to refine risk assessment</li> <li>- Coordinate with IPAM-06 for ensuring projects are consistent with project evaluation and prioritization processes</li> </ul> </li> <li>6. Perform limited hydrologic modeling and GIS analysis to support risk assessment           <ul style="list-style-type: none"> <li>- Discuss with DOU the priorities for hydrologic modeling needs</li> <li>- Conduct modeling to determine consequence impacts from 10- and 100-year storms</li> </ul> </li> <li>7. Populate LCMP           <ul style="list-style-type: none"> <li>- Compile information from previous tasks</li> <li>- Present final LCMP</li> </ul> </li> </ol>							
<b>Key Deliverables / Output</b>							
<ul style="list-style-type: none"> <li>▪ LCMP template</li> <li>▪ List of data gaps and improvement plan</li> <li>▪ Tech Memo: risk assessment</li> <li>▪ Final Drainage Lifecycle Management Plan</li> </ul>							

<b>IPAM-03</b> Establish AM group roles and responsibilities to drive asset management consistency			
<p><i>Initiative Overview</i></p> <p>This initiative will define DOU's approach to AM, evaluate resource needs, establish a Steering Committee with defined roles, responsibilities, and support functions to coordinate asset management improvement initiatives across DOU.</p>			
<i>Start Date</i>	August 2015	<i>Duration</i>	6 months
<p><i>Task Plan</i></p> <ol style="list-style-type: none"> <li>1. Kickoff meeting with Initiative Team leadership               <ul style="list-style-type: none"> <li>- Review task plan and confirm scope, schedule, resourcing and DOU input</li> <li>- Review current DOU org charts</li> <li>- Establish baseline metrics for measuring successful change</li> </ul> </li> <li>2. Document current state               <ul style="list-style-type: none"> <li>- Document current core responsibilities and support functions for AM</li> <li>- Develop current state process maps and RACI charts for targeted areas</li> </ul> </li> <li>3. Document roles and responsibilities for Executive Steering Committee and AM Core Team               <ul style="list-style-type: none"> <li>- Develop charter for Core Team</li> </ul> </li> <li>4. Develop future state roles and responsibilities               <ul style="list-style-type: none"> <li>- Develop future state process maps and RACI charts for targeted areas</li> <li>- Develop job descriptions for key roles and responsibilities</li> </ul> </li> <li>5. Provide as-needed updates from other IPAM initiatives</li> </ol>			
<p><i>Key Deliverables / Output</i></p> <ul style="list-style-type: none"> <li>▪ Tech Memo: Documented current roles and responsibilities</li> <li>▪ AM survey results</li> <li>▪ Core Team charter</li> <li>▪ Current state process maps and RACI charts for targeted areas</li> <li>▪ Future state process maps and RACI charts for targeted areas</li> </ul>			

<b>IPAM-04    Improve CMMS System Performance and Work Order Management Analytics</b>			
<p><b>Initiative Overview</b>            This initiative will improve CMMS performance embedment, user proficiency, data format and analysis, and evaluate options for mitigating network issues.</p>			
<b>Start Date</b>	September 2015	<b>Duration</b>	4 months
<p><b>Task Plan</b></p> <ol style="list-style-type: none"> <li>1. Kickoff meeting with Initiative Team leadership               <ul style="list-style-type: none"> <li>- Review task plan and confirm scope, schedule, resourcing and DOU input</li> <li>- Obtain export of Cityworks data</li> <li>- Obtain all KPI data currently tracked and reported</li> <li>- Review status of Citywork 2014 upgrade</li> <li>- Review status of Sedaru mobility pilot</li> </ul> </li> <li>2. Interview crews and conduct ride along               <ul style="list-style-type: none"> <li>- Conduct 1-hour workshop with crew supervisors to capture feedback on Cityworks</li> <li>- Gather hardcopy reports used by supervisors</li> <li>- Spend rest of day in field with crews to review Cityworks use and performance</li> <li>- Capture feedback from crews and supervisors</li> </ul> </li> <li>3. Recommend Cityworks data and performance enhancements               <ul style="list-style-type: none"> <li>- Review export fault and repair data quality and consistency (QA/QC)</li> <li>- Develop and analyze new and future KPI metrics</li> <li>- Document standard report templates and export formats</li> <li>- Document KPIs and gaps</li> <li>- Recommend enhancements to data recording</li> </ul> </li> <li>4. Develop improvement plan based on Task 2 and 3               <ul style="list-style-type: none"> <li>- Evaluate options for mitigating network issues for remote/field use</li> <li>- Provide 2014 upgrade consultant with screen enhancements and basic report/export templates</li> <li>- Provide Sedaru pilot consultant with configuration enhancements</li> <li>- Provide City IT with report templates for creation in BI tier (Business Objects)</li> </ul> </li> <li>5. Provide supervisor briefing and training on reporting and Cityworks changes</li> </ol>			
<p><b>Key Deliverables / Output</b></p> <ul style="list-style-type: none"> <li>▪ Tech Memo: Standard reporting requirements from Cityworks (KPIs and Tabular)</li> <li>▪ Tech Memo: Enhancement recommendations to 2014 upgrade consultant</li> <li>▪ Final: Monthly report template for ongoing DOU team monitoring of initiative impact and embedment</li> </ul>			

<b>IPAM-05</b>	<b>Perform end-to-end review of procurement, inventory, and warehousing to identify efficiency improvements</b>		
<p><b>Initiative Overview</b></p> <p>This initiative will enhance performance by streamlining procurement, inventory, and warehousing processes through an end-to-end assessment of current state workflows.</p>			
<b>Start Date</b>	October 2015	<b>Duration</b>	3 months
<p><b>Task Plan</b></p> <ol style="list-style-type: none"> <li>1. Kickoff meeting with Initiative Team leadership           <ul style="list-style-type: none"> <li>- Review task plan and confirm scope, schedule, resourcing and DOU input</li> <li>- Establish baseline metrics for measuring successful change</li> </ul> </li> <li>2. Document / map existing procurement processes           <ul style="list-style-type: none"> <li>- Review supporting systems and procedures</li> <li>- Identify roles and responsibilities</li> <li>- Evaluate resource utilization</li> <li>- Provide improvement recommendations</li> </ul> </li> <li>3. Evaluate reports and templates           <ul style="list-style-type: none"> <li>- Identify desired reporting and uses</li> <li>- Coordinate with IPAM-04 for configuring Cityworks reports</li> <li>- Coordinate with CMMS vendors for system reporting capabilities</li> </ul> </li> <li>4. Evaluate purchase order thresholds and procurement policy           <ul style="list-style-type: none"> <li>- Conduct analysis of purchase order records (e.g., procurement time, frequencies) by dollar threshold to evaluate cost effectiveness of policies</li> <li>- Provide recommendations for improving procurement policies</li> </ul> </li> </ol>			
<p><b>Key Deliverables / Output</b></p> <ul style="list-style-type: none"> <li>▪ Process map of existing procurement processes</li> <li>▪ Tech Memo: procurement roles and responsibilities, resource utilization, improvement recommendations</li> <li>▪ Tech Memo: specifications for reports and templates</li> <li>▪ Tech Memo: evaluation of purchase order thresholds and procurement policy</li> </ul>			

<b>IPAM-06</b>	<b>Develop project evaluation and prioritization process to increase consistency and defensibility of annual budget requests</b>		
<p><i>Initiative Overview</i></p> <p>This initiative will result in the improved allocation of project funding by establishing consistent project selection criteria and transparent prioritization processes for increased defensibility of annual budgeting.</p>			
<i>Start Date</i>	November 2015	<i>Duration</i>	6 months
<p><i>Task Plan</i></p> <ol style="list-style-type: none"> <li>1. Kickoff meeting with Initiative Team leadership           <ul style="list-style-type: none"> <li>- Review task plan and confirm scope, schedule, resourcing and DOU input</li> <li>- Establish baseline metrics for measuring successful change</li> </ul> </li> <li>2. Document / map budgeting process           <ul style="list-style-type: none"> <li>- Review existing project prioritization and budget development processes</li> <li>- Identify improvement opportunities (e.g., emergent / emergency projects, communicating budget updates)</li> <li>- Establish decision gateways and process runways</li> <li>- Coordinate with IPAM-07 to establish capitalization process</li> </ul> </li> <li>3. Develop Project Information Sheet template           <ul style="list-style-type: none"> <li>- Note: DOU will populate information sheets for all projects to prioritized</li> </ul> </li> <li>4. Procure and configure prioritization software</li> <li>5. Establish project selection criteria           <ul style="list-style-type: none"> <li>- Conduct workshop with DOU staff to determine project criteria</li> </ul> </li> <li>6. Establish criteria weights           <ul style="list-style-type: none"> <li>- Conduct workshop with DOU staff to develop criteria weights using pair-wise comparison process</li> <li>- Score up to 20 projects</li> <li>- Produce tech memo documenting results</li> <li>- Note: DOU will score additional projects</li> </ul> </li> <li>7. Coordinate with IPAM-03 to define roles and responsibilities to sustain prioritization processes</li> </ol>			
<p><i>Key Deliverables / Output</i></p> <ul style="list-style-type: none"> <li>▪ Process map of existing budget development processes</li> <li>▪ Tech Memo: project prioritization criteria and weightings</li> <li>▪ Project Information Sheet template</li> </ul>			

<b>IPAM-07</b>	<b>Streamline process for adding and retiring assets, crosswalking inventories and fixed asset register, and refining service lives</b>		
<p><b>Initiative Overview</b>          This initiative will establish formal processes for retiring assets in the financial system, refining service lives, and reconciling with City databases.</p>			
<b>Start Date</b>	October 2016	<b>Duration</b>	3 months
<p><b>Task Plan</b></p> <ol style="list-style-type: none"> <li>1. Kickoff meeting with Initiative Team leadership           <ul style="list-style-type: none"> <li>- Review task plan and confirm scope, schedule, resourcing and DOU input</li> <li>- Establish baseline metrics for measuring successful change</li> </ul> </li> <li>2. Develop high-level current process maps related to DOU activities with central accounting           <ul style="list-style-type: none"> <li>- Capitalization process</li> <li>- Adding new assets</li> <li>- Asset retirement</li> </ul> </li> <li>3. Review capitalization threshold (DOU versus City needs)           <ul style="list-style-type: none"> <li>- Provide recommendations for modification to capitalization policy</li> </ul> </li> <li>4. Evaluate alignment of DOU fixed asset data (asset lists and data structure) with CMMS/GIS data structures and central accounting           <ul style="list-style-type: none"> <li>- Review issues for locating correct assets</li> <li>- Provide recommendations for asset hierarchy to support fixed asset roll up and asset bundling / grouping</li> <li>- Provide recommendations for data attributes and naming conventions</li> </ul> </li> <li>5. Coordinate with IPAM-01 for storage of fixed asset register data</li> <li>6. GASB 34 Issues           <ul style="list-style-type: none"> <li>- Review and evaluate depreciation policies</li> <li>- Evaluate full accrual versus modified approach accounting</li> <li>- Evaluate service life impacts from rehabilitation activities</li> </ul> </li> <li>7. Present final results</li> </ol>			
<p><b>Key Deliverables / Output</b></p> <ul style="list-style-type: none"> <li>▪ High-level maps for current processes</li> <li>▪ Tech Memo: recommendations for accounting approach and associated policies / activities to support the recommended approach</li> <li>▪ Tech Memo: recommended changes to capitalization policy</li> <li>▪ Tech Memo: crosswalking framework for reconciling fixed asset register with CMMS/GIS and central accounting</li> </ul>			

IPAM-08    Align business activities and outcomes to customer services levels and technical KPIs			
<p><b>Initiative Overview</b></p> <p>This initiative will review and enhance the existing levels of service and KPI framework and establish trending and reporting requirements to build into DOU's Business Intelligence tools.</p>			
<b>Start Date</b>	July 2016	<b>Duration</b>	4 months
<p><b>Task Plan</b></p> <ol style="list-style-type: none"> <li>1. Establish coordination schedule with KPI Committee in Q3 2015 and maintain routine communication to ensure stakeholder involvement in other initiatives           <ul style="list-style-type: none"> <li>- Data</li> <li>- Lifecycle management plan</li> <li>- Project evaluation and prioritization</li> </ul> </li> <li>2. Kickoff meeting with Initiative Team leadership in July 2016           <ul style="list-style-type: none"> <li>- Review task plan and confirm scope, schedule, resourcing and DOU input</li> <li>- Establish metrics for measuring successful change</li> <li>- Evaluate baseline using established metrics</li> </ul> </li> <li>3. Review current corporate Levels of Service (LOS), KPIs, and source data           <ul style="list-style-type: none"> <li>- Evaluate trends and data accessibility</li> <li>- Provide examples of LOS and KPIs from relevant agencies for comparison</li> <li>- Provide recommendations for improving LOS and KPIs</li> <li>- Prepare presentation for LOS, KPI and source data findings</li> </ul> </li> <li>4. Evaluate KPI data for root cause analysis           <ul style="list-style-type: none"> <li>- Identify process issues to be resolved for improved root cause analysis</li> <li>- Develop new processes for formalizing root cause analysis</li> <li>- Provide recommendations for using Business Intelligence tools and feedback to decision making</li> <li>- Prepare presentation for KPI root cause analysis</li> </ul> </li> <li>5. Establish processes for regular KPI reporting/dashboards and review           <ul style="list-style-type: none"> <li>- Enhance KPI reporting / dashboard template</li> <li>- Develop continuous improvement process with annual review of KPI results and adjustments for following year</li> <li>- Coordinate with IPAM-06 for integrating KPIs with budgeting process</li> </ul> </li> </ol>			
<p><b>Key Deliverables / Output</b></p> <ul style="list-style-type: none"> <li>▪ Tech Memo: Results from review of current LOS and KPIs, examples of technical LOS and KPIs, recommendations for improvement</li> <li>▪ Process maps: root cause analysis; regular reporting and continuous improvement of KPIs</li> <li>▪ Enhanced KPI reporting / dashboard template</li> </ul>			

<b>IPAM-09</b> Include Public Outreach functional link to improve communication of work activities			
<b>Initiative Overview</b> This initiative will create an information link and related processes for pulling data from the system of record for consistent reporting; establish simple, distilled project criteria for improved customer communication; and establish a framework for an updated Annual Report.			
<b>Start Date</b>	April 2017	<b>Duration</b>	3 months
<b>Task Plan</b>			
<ol style="list-style-type: none"> <li>1. Establish coordination schedule with Public Outreach in Q3 2015 to ensure stakeholder involvement in other initiatives               <ul style="list-style-type: none"> <li>- Data</li> <li>- Lifecycle management plan</li> <li>- Project evaluation and prioritization</li> <li>- KPIs and service levels</li> </ul> </li> <li>2. Review desired reporting data and validate/generate the data               <ul style="list-style-type: none"> <li>- Coordinate with IPAM-01 for generating desired reporting data</li> </ul> </li> <li>3. Develop distilled project justification               <ul style="list-style-type: none"> <li>- Coordinate with IPAM-06 for developing project prospectus forms with distilled criteria</li> </ul> </li> <li>4. Kickoff meeting with Initiative Team leadership in April 2017               <ul style="list-style-type: none"> <li>- Review task plan and confirm scope, schedule, resourcing and DOU input</li> <li>- Establish metrics for measuring successful change</li> <li>- Evaluate baseline using established metrics</li> </ul> </li> <li>5. Update processes to support Public Outreach               <ul style="list-style-type: none"> <li>- Review existing processes and swim lane diagram for Public Records request</li> <li>- Develop process map for providing Public Outreach with project updates and reporting data</li> </ul> </li> <li>6. Develop structure of new Annual Report               <ul style="list-style-type: none"> <li>- Review existing Business Plan and previous Annual Reports</li> <li>- Conduct workshop with stakeholders to develop framework of new Annual Report</li> <li>- Coordinate with IPAM-01 for generating data and IPAM-08 for producing KPIs and metrics to populate Annual Report</li> </ul> </li> <li>7. Present final recommendations               <ul style="list-style-type: none"> <li>- Prepare presentation for reporting data, project justification, process maps, and Annual Report</li> </ul> </li> </ol>			
<b>Key Deliverables / Output</b>			
<ul style="list-style-type: none"> <li>▪ Distilled project justification forms</li> <li>▪ Process map for providing project updates and reporting data to Public Outreach</li> <li>▪ Framework for Annual Report</li> </ul>			

<b>IPAM-10</b> Implement warranty tracking process to better manage asset handover and costs			
<p><b>Initiative Overview</b></p> <p>This initiative will evaluate existing warranty workflows, establish new processes and recommend configuration changes in the CMMS to track consistently across DOU.</p>			
<b>Start Date</b>	April 2017	<b>Duration</b>	2 months
<p><b>Task Plan</b></p> <ol style="list-style-type: none"> <li>1. Kickoff meeting with Initiative Team leadership in April 2017               <ul style="list-style-type: none"> <li>- Review task plan and confirm scope, schedule, resourcing and DOU input</li> <li>- Establish metrics for measuring successful change</li> <li>- Evaluate baseline using established metrics</li> </ul> </li> <li>2. Compile existing warranty data for vertical assets               <ul style="list-style-type: none"> <li>- Compile warranty data from existing hard copy or electronic records</li> <li>- Enter into appropriate database (e.g., Maintenance Connection)</li> </ul> </li> <li>3. Develop new warranty tracking processes               <ul style="list-style-type: none"> <li>- Establish business processes for routine compiling and entry of warranty information</li> </ul> </li> </ol>			
<p><b>Key Deliverables / Output</b></p> <ul style="list-style-type: none"> <li>▪ Compiled existing warranty information</li> <li>▪ Process maps for routine entry of warranty information for vertical assets</li> </ul>			

## TOTAL FEE

Total not-to-exceed of \$705,270 including other direct charges.

#	Task	Scott	Glenn	David	Brian	John	Andy	Siyuan	Jason	Mac	Eric	Josh	Labor	ODC	Cost
		Anscheil	Fawcett	Gordon	Friedmann	Zhou	Baker	Rao	Mumm	Hodell	Clyde	Biggs			
1	Improve Data Quality and Analytics to Support Lifecycle Planning	112	160	236		24							\$109,920	\$7,425	\$117,345
2	Develop full Lifecycle Management Plan (LCMP) framework to increase transparency of drainage budget request and forecast	124	34	316							190		\$118,830	\$4,675	\$123,505
3	Establish AM group roles and responsibilities to drive asset management consistency	92	54	176									\$60,540	\$1,650	\$62,190
4	Improve CMMS System Performance and WO Analytics	8	152	64	140								\$84,060	\$8,800	\$92,860
5	Perform end-to-end review of procurement, inventory, and warehousing to identify efficiency improvements	76	8	132						8			\$39,420	\$3,850	\$43,270
6	Develop project evaluation and prioritization process to increase consistency and defensibility of annual budgeting	188		356									\$90,060	\$13,200	\$103,260
7	Streamline process for adding and retiring assets, crosswalking inventories and fixed asset register, and refining service lives	48	4	40			112	56	16				\$49,360	\$6,050	\$55,410
8	Align business activities and outcomes to customer services levels and technical KPIs	60	20	128									\$36,900	\$9,075	\$45,975
9	Include Public Outreach functional link to improve communication of work activities	66	7	114									\$32,070	\$5,500	\$37,570
10	Implement warranty tracking process to better manage asset handover and costs	28	18	8								88	\$23,060	\$825	\$23,885
<b>TOTAL</b>		<b>802</b>	<b>457</b>	<b>1,570</b>	<b>140</b>	<b>24</b>	<b>112</b>	<b>56</b>	<b>16</b>	<b>8</b>	<b>190</b>	<b>88</b>	<b>\$644,220</b>	<b>\$61,050</b>	<b>\$705,270</b>

## SCHEDULE

MWH anticipates the scope of work will be completed based on the schedule shown below.

<b>IPAM ROADMAP</b>			2015		2016				2017			
			Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
#	Initiative											
A	IPAM-03	Establish AM Group roles and responsibilities to drive asset management consistency	█	█								
B	IPAM-01	Improve data quality and analytics to support better asset lifecycle planning decisions	█	█	█							
C	IPAM-02	Develop full Lifecycle Management Plan framework to increase transparency of drainage budget request and forecast	█	█	█							
D	IPAM-05	Perform end-to-end review of procurement / inventory / warehousing to identify efficiency opportunities		█	█							
E	IPAM-04	Improve CMMS performance and work order management for operational efficiency		█	█							
F	IPAM-06	Develop project evaluation and prioritization process to increase consistency and defensibility of annual budgeting			█	█						
G	IPAM-08	Align business activities and outcomes to customer service levels and technical KPIs				█	█					
H	IPAM-07	Streamline process for adding and retiring assets, crosswalking inventories and fixed asset register, and refining service lives					█	█				
I	IPAM-09	Include Public Outreach functional link to improve communication of work activities							█			
J	IPAM-10	Implement warranty tracking process to better manage handover and costs								█		



# City of Sacramento

Tax ID # if applicable:

Requires Council Approval:  No  YES 7/22/2014

Real Estate  Other Party Signature Needed  Recording Requested

## General Information

Type: Professional Services Agreement	PO Type:	Attachment: Original No.:
\$ Not to Exceed: \$ 169,322.00		Original Doc Number:
Other Party: MWH Americas, Inc.		Certified Copies of Document: 2
Project Name: Development of and Integrated Planning and Asset Management Process and Action Plan		Deed: <input checked="" type="checkbox"/> None <input type="checkbox"/> Included <input type="checkbox"/> Separate
Project Number: I140101006	Bid Transaction #: 14141311009	E/SBE-DBE-MWBE:

## Department Information

Department: Utilities Division: Integrated Planning & Business Op  
 Project Mgr: Rick Matsuo ADRS: 2014-00472 Supervisor: Rick Matsuo  
 Contract Services: Date: 7/10/2014 Division Mgr: Jamille Moens  
 Phone Number: (916) 808-1728 Org Number: 14001641 Mail Code: 13400  
 Comment: **Please Interoffice to Attn: KAREN PARKER Mail Code #13400**

## Review and Signature Routing

Department	Signature or Initial	Date
Project Mgr:		
Accounting:	AA	NA
Supervisor:	<i>[Signature]</i>	7-10-14
Division Manager:	<i>[Signature]</i>	7/10/14
City Attorney	Signature or Initial	Date
City Attorney:	<i>[Signature]</i>	7-14-14

Send Interoffice Mail  Notify for Pick Up

Authorization	Signature or Initial	Date
Dave Brent Department Director:	<i>[Signature]</i>	7/23/14
City Mgr: yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		

Contract Cover/Routing Form: Must Accompany ALL Contracts; however, is not part of the contract. (01-01-09)

**For City Clerk Processing**

**Finalized:**  
 Initial: *PC*  
 Date: *7-28-14*  
 Imaged: *[Signature]*  
 Initial: *[Signature]*  
 Date: *7-29-14*

**Received:**  
 (City Clerk Stamp Here)  
 2014 JUL 25 P 2:09

Title: Development of and Integrated Planning and Asset Management Process and Action Plan  
 Other Party: MWH Americas, Inc.

**2014-0690**

ED  
\$ OFFICE  
FAMENTO

Additional insured endorsement (AIE) missing - please obtain before Council approval. *[Signature]*

PROJECT #: Z14003400  
PROJECT NAME: DEVELOPMENT OF AND INTEGRATED PLANNING AND ASSET MANAGEMENT PROCESS AND ACTION PLAN  
DEPARTMENT: UTILITIES DEPARTMENT  
DIVISION: BUSINESS AND INTEGRATED PLANNING DIVISION

## CITY OF SACRAMENTO

**PROFESSIONAL SERVICES AGREEMENT  
FOR ARCHITECTS, LANDSCAPE  
ARCHITECTS, PROFESSIONAL ENGINEERS,  
AND PROFESSIONAL LAND SURVEYORS**

THIS AGREEMENT is made at Sacramento, California, as of 7-28-14, by and between the CITY OF SACRAMENTO, a municipal corporation ("CITY"), and

MWH AMERICAS, INC.  
3321 Power Inn Road, Suite 300, Sacramento, CA 95826  
Phone: (916) 924-8844 / Fax: (916) 924-9102

("CONTRACTOR"), who agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this Agreement, CONTRACTOR shall provide to CITY the services described in Exhibit A. CONTRACTOR shall provide said services at the time, place, and in the manner specified in Exhibit A. CONTRACTOR shall not be compensated for services outside the scope of Exhibit A unless prior to the commencement of such services: (a) CONTRACTOR notifies CITY and CITY agrees that such services are outside the scope of Exhibit A; (b) CONTRACTOR estimates the additional compensation required for these additional services; and (c) CITY, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefor. CITY shall have no obligations whatsoever under this Agreement and/or any Supplemental Agreement, unless and until this Agreement or any Supplemental Agreement is approved by the Sacramento City Manager or the City Manager's authorized designee, or by the Sacramento City Council, as required by the Sacramento City Code.
2. **Payment.** CITY shall pay CONTRACTOR for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit B. The payments specified in Exhibit B shall be the only payments to be made to CONTRACTOR for the services rendered pursuant to this Agreement unless pursuant to Section 1, above, CITY approves additional compensation for additional services. CONTRACTOR shall submit all billings for said services to CITY in the manner specified in Exhibit B, or, if not specified in Exhibit B, according to the usual and customary procedures and practices that CONTRACTOR uses for billing clients similar to CITY.
3. **Facilities and Equipment.** Except as set forth in Exhibit C, CONTRACTOR shall, at its sole cost and expense, furnish all facilities and equipment that may be required for furnishing services pursuant to this Agreement. CITY shall furnish to CONTRACTOR only the facilities and equipment listed in Exhibit C according to any terms and conditions set forth in Exhibit C.
4. **General Provisions.** The General Provisions set forth in Exhibit D, that include indemnity and insurance requirements, are part of this Agreement. In the event of any conflict between the General Provisions and any terms or conditions of any document prepared or provided by CONTRACTOR and made a part of

this Agreement, including without limitation any document relating to the scope of services or payment therefor, the General Provisions shall control over said terms or conditions.

- 5. **Non-Discrimination in Employee Benefits.** This Agreement is subject to the provisions of Sacramento City Code Chapter 3.54, Non-Discrimination in Employee Benefits by City Contractors. The requirements of Sacramento City Code Chapter 3.54 are summarized in Exhibit E. CONTRACTOR is required to sign the attached Declaration of Compliance (Equal Benefits Ordinance), to assure compliance with these requirements.
- 6. **Authority.** The person signing this Agreement for CONTRACTOR hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of CONTRACTOR and to bind CONTRACTOR to the performance of its obligations hereunder.
- 7. **Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated as if set forth fully herein.

Executed as of the day and year first above stated.

**CITY OF SACRAMENTO**  
A Municipal Corporation

By: 

Print Name: Dave Brent

Title: Director

For: John F. Shirey, City Manager

APPROVED TO AS FORM:

  
City Attorney

ATTEST:

  
City Clerk 7-28-14

Attachments

- Exhibit A - Scope of Service
- Exhibit B - Fee Schedule/Manner of Payment
- Exhibit C - Facilities/Equipment Provided
- Exhibit D - General Provisions
- Exhibit E - Non-Discrimination in Employee Benefits

**CONTRACTOR:**

MWH AMERICAS, INC.  
NAME OF FIRM

95-1878805  
Federal I.D. No.

N/A  
State I.D. No.

City of Sacramento Business Op. Tax Cert. No.

TYPE OF BUSINESS ENTITY (check one):

- Individual/Sole Proprietor
- Partnership
- Corporation (may require 2 signatures)
- Limited Liability Company
- Other (please specify: \_\_\_\_\_)

  
Signature of Authorized Person

JASON MUNN, VICE PRESIDENT  
Print Name and Title

N/A  
Additional Signature (if required)

N/A  
Print Name and Title

**DECLARATION OF COMPLIANCE  
Equal Benefits Ordinance**

Name of Contractor: MWH AMERICAS, INC.

Address: 3321 Power Inn Road, Suite 300, Sacramento, CA 95826

The above named Contractor ("Contractor") hereby declares and agrees as follows:

1. Contractor has read and understands the Requirements of the Non-Discrimination In Employee Benefits Code (the "Requirements") attached hereto as Exhibit E.
2. As a condition of receiving this Agreement, Contractor agrees to fully comply with the Requirements, as well as any additional requirements that may be specified in the City of Sacramento's Non-Discrimination In Employee Benefits Code codified at Chapter 3.54 of the Sacramento City Code (the "Ordinance").
3. Contractor understands, to the extent that such benefits are not preempted or prohibited by federal or state law, employee benefits covered by the Ordinance are any of the following:
  - a. Bereavement Leave
  - b. Disability, life, and other types of insurance
  - c. Family medical leave
  - d. Health benefits
  - e. Membership or membership discounts
  - f. Moving expenses
  - g. Pension and retirement benefits
  - h. Vacation
  - i. Travel benefits
  - j. Any other benefit offered to employees

Contractor agrees that if Contractor offers any of the above-listed employee benefits, Contractor will offer those benefits, without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouses and domestic partners of such employees.

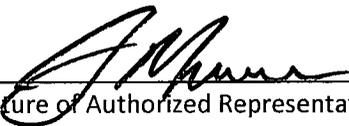
4. Contractor understands that Contractor will not be considered to be discriminating in the provision or application of employee benefits under the following conditions or circumstances:
  - a. If the actual cost of providing a benefit to a domestic partner or spouse exceeds the cost of providing the same benefit to a spouse or domestic partner of an employee, Contractor will not be required to provide the benefit, nor shall it be deemed discriminatory, if Contractor requires the employee to pay the monetary difference in order to provide the benefit to the domestic partner or to the spouse.

- b. If Contractor is unable to provide a certain benefit, despite taking reasonable measures to do so, if Contractor provides the employee with a cash equivalent Contractor will not be deemed to be discriminating in the application of that benefit.
  - c. If Contractor provides employee benefits neither to employee's spouses nor to employee's domestic partners.
  - d. If Contractor provides employee benefits to employees on a basis unrelated to marital or domestic partner status.
  - e. If Contractor submits written evidence of making reasonable efforts to end discrimination in employee benefits by implementing policies that will be enacted before the first effective date after the first open enrollment process following the date this Agreement is executed by the City of Sacramento ("City"). Contractor understands that any delay in the implementation of such policies may not exceed one (1) year from the date this Agreement is executed by the City, and applies only to those employee benefits for which an open enrollment process is applicable.
  - f. Until administrative steps can be taken to incorporate nondiscrimination in employee benefits. The time allotted for these administrative steps will apply only to those employee benefits for which administrative steps are necessary and may not exceed three (3) months from the date this Agreement is executed by the City.
  - g. Until the expiration of a current collective bargaining agreement(s) if employee benefits are governed by such collective bargaining agreement(s).
  - h. Contractor takes all reasonable measures to end discrimination in employee benefits by either requesting that the union(s) involved agree to reopen the agreement(s) in order for Contractor to take whatever steps are necessary to end discrimination in employee benefits or by ending discrimination in employee benefits without reopening the collective bargaining agreement(s).
  - i. In the event Contractor cannot end discrimination in employee benefits despite taking all reasonable measures to do so, Contractor provides a cash equivalent to eligible employees for whom employee benefits are not available. Unless otherwise authorized in writing by the City Manager, Contractor understands this cash equivalent must begin at the time the union(s) refuse to allow the collective bargaining agreement(s) to be reopened or not longer than three (3) months after the date this Agreement is executed by the City.
5. Contractor understands that failure to comply with the provisions of Section 4(a) through 4(i), above, will subject Contractor to possible suspension and/or termination of this Agreement for cause; repayment of any or all of the Agreement amount disbursed by the City; debarment for future agreements until all penalties and restitution have been paid in full and/or for up to two (2) years; and/or the imposition of a penalty, payable to the City, in the sum of \$50.00 for each employee, for each calendar day during which the employee was discriminated against in violation of the provisions of the Ordinance.
6. Contractor understands and agrees to provide notice to each current employee and, within ten (10) days of hire, to each new employee, of their rights under the Ordinance. Contractor further agrees to

maintain a copy of each such letter provided, in an appropriate file for inspection by authorized representatives of the City. Contractor also agrees to prominently display a poster informing each employee of these rights.

7. Contractor understands that Contractor has the right to request a waiver of, or exemption from, the provisions of the Ordinance by submitting a written request to the City's Procurement Services Division prior to Agreement award, which request shall identify the provision(s) of the Ordinance authorizing such waiver or exemption and the factual basis for such waiver or exemption. The City shall determine in its sole discretion whether to approve any such request.
8. Contractor agrees to defend, indemnify and hold harmless, the City, its officers and employees, against any claims, actions, damages, costs (including reasonable attorney fees), or other liabilities of any kind arising from any violation of the Requirements or of the Ordinance by Contractor.

The undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that he or she is authorized to bind the Contractor to the provisions of this Declaration.

  
\_\_\_\_\_  
Signature of Authorized Representative

7-8-2014  
\_\_\_\_\_  
Date

Jason Munn  
\_\_\_\_\_  
Print Name

Vice President  
\_\_\_\_\_  
Title

EXHIBIT A

PROFESSIONAL SERVICES AGREEMENT FOR DESIGN PROFESSIONALS

SCOPE OF SERVICES

1. **Representatives.**

The CITY Representative for this Agreement is:

Rick Matsuo / Supervising Engineer  
1395 35th Avenue, Sacramento, CA 95822  
Phone: (916) 808-1728 / Fax: (916) 808-1497 / E-mail: rmatsuo@cityofsacramento.org

All CONTRACTOR questions pertaining to this Agreement shall be referred to the CITY Representative or the Representative's designee.

The CONTRACTOR Representative for this Agreement is:

Craig Moyle / Project Manager  
3321 Power Inn Road, Suite 300, Sacramento, CA 95826  
Phone: (916) 418-8248 / Fax: (916) 924-9102 / E-mail: craig.moyle@mwhglobal.com

All CITY questions pertaining to this Agreement shall be referred to the CONTRACTOR Representative. All correspondence to CONTRACTOR shall be addressed to the address set forth on page one of this Agreement. Unless otherwise provided in this Agreement, all correspondence to the CITY shall be addressed to the CITY Representative.

2. **Professional Liability Insurance.** Professional Liability (Errors and Omissions) insurance is  is not  [check one] required for this Agreement. If required, such coverage must be continued for at least 3 year(s) following the completion of all Services and Additional Services under this Agreement. (See Exhibit D, Section 11, for complete insurance requirements.)

3. **Conflict of Interest Requirements.**

A. **Generally.** Under the California Political Reform Act, Government Code §§ 81000 et seq., designated employees of the CITY are required to comply with the CITY's Conflict of Interest Code. The term "designated employees" is a term of art and includes individuals who are working for contractors who are providing services or performing work for the CITY and who are considered to be "consultants" under the Political Reform Act. The term "consultant" generally includes individuals who make, or participate in making, governmental decisions or who serve in a staff capacity. Individuals who perform work that is solely clerical, ministerial, manual or secretarial are not "consultants."

The CITY's Conflict of Interest Code requires designated employees, including individuals who qualify as "consultants", to file the following statements of economic interests:

- (1) An "assuming office" statement of economic interests to be filed within 30 days after execution of the agreement between the City and the contractor;
- (2) Annual statements of economic interests while the agreement remains in effect, to be filed not later than April 30 of each year; and
- (3) A "leaving office" statement of economic interests to be filed within 30 days of completion of the contract.

The above statements of economic interests are public records subject to public disclosure under the California Public Records Act.

The CITY's Conflict of Interest Code also requires individuals who qualify as "consultants" under the Political Reform Act to comply with the conflict of interest provisions of the Political Reform Act, which generally prohibit individuals from making or participating in the making of decisions that will have a material financial effect on their economic interests.

- B. **Conflict of Interest Statements.** The individual(s) who will provide services or perform work pursuant to this Agreement are "consultants" within the meaning of the Political Reform Act and the CITY's Conflict of Interest Code:  yes  no [check one]

If "yes" is checked above, CONTRACTOR shall cause the following to occur within 30 days after execution of this Agreement:

- (1) Identify the individuals who will provide services or perform work under this Agreement as "consultants";
- (2) Cause these individuals to file with the CITY Representative the "assuming office" statements of economic interests required by the CITY's Conflict of Interest Code.

Thereafter, throughout the term of the Agreement, CONTRACTOR shall cause these individuals to file with the CITY Representative annual statements of economic interests, and "leaving office" statements of economic interests, as required by the CITY's Conflict of Interest Code. The CITY may withhold all or a portion of any payment due under this Agreement until all required statements are filed.

4. **Scope of Services.** [Describe services to be provided here, or, if scope of services is described in an attachment, label the attachment "Attachment 1 to Exhibit A" and include the following sentence:]

The services provided shall be as set forth in Attachment 1 to Exhibit A, attached hereto and incorporated herein.

5. **Time of Performance.** The services described herein shall be provided during the period, or in accordance with the schedule, set forth in the scope of services.

# ATTACHMENT 1 TO EXHIBIT A

## Scope of Services Development of an Integrated Planning and Asset Management Process and Action Plan

### SCOPE OF WORK

#### Task 1 – Document Review and Kick-off Call

MWH will submit a formal information request memorandum summarizing key requested information.

MWH will review existing data, reports, and information available that will be required for this project. This may include obtaining an exported copy of the CMMS and GIS geodatabases, asset inventory lists, annual reports, recent strategic plans and related materials used in the preparation of the plan, current or past performance monitoring/measuring reports and evaluations, and sample maintenance records and reports as appropriate to this effort.

MWH will also request information related to organizational structure and other organizational information that will support recommendations for an Executive Steering Committee, Core Team, and Asset Management Working Groups.

MWH staff will conduct a kick-off call with the City project manager and key staff to initiate the project. Discussion items will include review of approach, scope, schedule, communication protocols, and City staff participation.

During the teleconference, MWH and City will identify appropriate City staff to participate in subsequent workshops. MWH envisions appropriate individuals will ultimately be grouped into three teams:

- ✓ Executive Steering Committee: provides guidance and support to asset management efforts as well as creation of necessary culture change
- ✓ Core Asset Management Team: serve as primary owners of asset management process
- ✓ Asset Management Working Groups: provide support to Executive Steering Committee and Core Team; subject matter experts in related job functions

#### Meetings:

- ✓ Teleconference to kick off project and discuss preliminary findings of document review

#### Deliverables:

- ✓ Data request

**Assumptions:**

- √ Documents will be provided in electronic format when available

**Task 2 – Working Sessions**

MWH will conduct up to 12 meetings, including three Working Sessions with Executive Steering Committee and Core Team members and up to eight preliminary interviews with appropriate City staff.

Working Session 1 topics will include:

1. Discuss overall vision for IPAM
2. Key integrated planning and asset management (IPAM) areas
3. Develop a preliminary list of IPAM issues warranting further assessment
4. Perceived barriers to effective IPAM
5. Likely options to address barriers

Working Session 2 topics will include:

1. Topics for the deep dive workshops
2. Identification of key staff for preliminary interviews
3. Discussion of questions for interviews (includes questions posed to all and some tailored, depending on focus areas)
4. Chartering and Organizational Chart for the IPAM effort

Nine call-in meetings will cover launch of the IPAM effort and interviews defined in Working Session 2.

Working Session 3 with the with Executive Steering Committee and Core Team members will recap results of interviews and include recommendations based on interviews.

**Meetings:**

- √ Working Sessions 1, 2, and 3 in-person at City of Sacramento offices
- √ 9 call-in meetings

**Deliverables:**

- √ Agendas
- √ Meeting Notes
- √ Preliminary list of issues
- √ Sample Charters and Organizational Charts
- √ Recap of interviews presented in PowerPoint format
- √ Final Charters and Organizational Charts

**Assumptions:**

- ✓ Two MWH team members will attend Working Sessions 1 and 2 in-person at City of Sacramento offices; will be completed during same two-day onsite trip
- ✓ 3 MWH staff participating as appropriate to topic
- ✓ Core Team will coordinate scheduling of meetings (Note: MWH can also do this with Letter of Introduction)
- ✓ Work completed in rapid timeframe (over course of two weeks), estimated 1-hour interviews

**Task 3 – Communications, Change Management and Launch Strategy**

MWH will assist the Core Team in preparing a communications and launch strategy for the IPAM effort including:

1. Project Branding (look-feel)
2. On-going communications and change management including invitations to IPAM activities
3. Introduction and verification of Communications, Change Management and Accountability Models
4. Gaining organizational commitment for proposed charters and organizational charts for the planning process
5. Troubleshooting barriers

**Meetings:**

- ✓ Primarily phone meetings. First meeting to be scheduled in conjunction with Working Sessions. Additional meetings to be scheduled bi-weekly or as needed.

**Deliverables:**

- ✓ High level strategy communications roadmap presented as a memorandum
- ✓ Support to Core Team in preparation of communications materials
- ✓ Sample Accountability Models and approaches

**Assumptions:**

- ✓ 1 to 3 MWH staff depending on topic
- ✓ No new communications channels developed, instead, leveraging of existing channels

**Task 4 – IPAM Primer Workshop**

MWH will conduct a 4-hour IPAM Workshop aimed at increasing staff understanding of integrated planning for asset management as a general practice. The workshop will increase staff awareness of key integrated planning and asset management concepts and educate them on the purpose of the Action Plan development efforts. The workshop will discuss

foundational asset management concepts and focus on their practical implementation towards real business needs. The workshop is also designed to gather information from City staff and serve as a communications and change management touch point by engaging in a question and answer forum with a broad cross-section of City staff.

**Meetings:**

- √ IPAM Primer Workshop (4 hours)

**Deliverables:**

- √ Asset Management Primer Workshop agenda and course materials

**Assumptions:**

- √ Three MWH team members will attend Workshop in-person at City of Sacramento offices
- √ Tasks 4 and 5 will be completed during same two-day onsite trip

**Task 5 – Strategic Intent Workshop**

MWH will conduct a 4-hour Strategic Intent Workshop with senior staff to establish and document City’s strategic intent and vision as it relates to the structuring and implementation of IPAM management. MWH staff will facilitate the definition and documentation of City’s asset management drivers and senior staff visions of asset management implementation success. The discussion during the workshop will specifically identify City’s strategic vision and objectives for IPAM. An important benefit of the workshop is the interaction and collaboration that takes place between participants from different departments. Successful asset management programs involve cooperation, collaboration, and coordination across the organization. Participation in this workshop will continue and emphasize this coordinated process.

**Meetings:**

- √ Strategic Intent Workshop (4 hours)

**Deliverables:**

- √ Agenda
- √ Draft and Final Facilitation plan
- √ Workshop workbook
- √ Meeting notes

**Assumptions:**

- √ Three MWH team members will attend Workshop in-person at City of Sacramento offices

- Tasks 4 and 5 will be completed during same two-day onsite trip

### **Task 6 – Needs Assessment**

MWH will conduct three 4-hour targeted deep dive Assessment Workshops to establish the gap between the current state of City's asset management practices against a tailored utility best practice model, as well as overall vision. The assessment will enable the City to understand where gaps exist in the current business processes and information systems, and enable the City to determine where to focus its efforts to address pain points and achieve the best return on investment.

MWH will utilize the deep dive framework for the assessment, which assesses the degree to which City's strategies, people, processes, technology, data, communications, and organizational structure enable business goals in alignment with the overall vision for IPAM.

At the completion of the deep dive workshops, MWH will compare City current practices against IPAM best appropriate practices and develop a list of potential improvement initiatives, ranging from work processes to technology/tools to organizational structure.

#### **Meetings:**

- Three Needs Assessment Workshops (12 hours)

#### **Deliverables:**

- Workshop agendas
- Draft list of improvement initiatives

#### **Assumptions:**

- Three MWH team members will participate in each workshop
- Workshops will be conducted over a three-day period during the same onsite trip
- Workshop process areas will target different areas of the business and hence largely involve different participants from the City

### **Task 7 – Improvement Initiatives**

MWH will conduct an Improvement Initiatives webinar to summarize key themes from the Needs Assessment Workshops and discuss the draft list of improvement initiatives as developed in Task 6. The draft list of initiatives will highlight key areas that present an opportunity for a quantifiable short- to medium-term return. MWH will work with staff to prioritize the draft list of initiatives and formulate problem statements for refining the improvement initiatives for the top five priorities.

Through call-in meetings and webinars, MWH will work with City staff to identify short-, medium-, and long-term plans and tactics for top five improvement initiatives, explore alternative actions, and select those that are most practical to achieve within cost and resource constraints.

**Meetings:**

- ✓ Improvement Initiatives webinar
- ✓ Improvement Initiatives work sessions via call-in meetings and webinar

**Deliverables:**

- ✓ Agenda
- ✓ Draft improvement initiatives for top five priorities

**Assumptions:**

- ✓ MWH will work with City to fully develop initiatives for top five priorities
- ✓ Draft initiatives will be discussed by webinar/conference call to minimize travel costs

**Task 8 – Action Plan**

MWH will work with City staff to develop the Action Plan that will list the recommended top five improvement initiatives, high-level budgets and a roadmap that describes schedules and sequencing. The roadmap will establish a 5-year Action Plan for the asset management effort going forward. The plan will include “quick win” near-term efforts and also “foundational” asset management efforts that City may wish to embark on immediately. All initiatives, which may involve changes to processes, systems, technology, data, staffing, training and other key business aspects, will target key pain-points for City such as cost, efficiency, regulatory compliance and environmental stewardship, and should tie back to the organization’s strategic drivers and objectives.

The Action Plan will be used as a framework to an Integrated Planning and Asset Management framework for City and will provide recommendations for staffing levels and needed resources (consultant, IT solutions, budget).

**Meetings:**

- ✓ Action Plan work sessions via call-in meetings and webinar
- ✓ Webinar to discuss draft Action Plan
- ✓ Presentation of final Action Plan

**Deliverables:**

- ✓ Action Plan (one Draft and one Final)

**Assumptions:**

- √ Action Plan development will be discussed by webinar/conference call to minimize travel costs
- √ MWH will submit a draft Action Plan for review
- √ Three MWH team members will participate in presentation of final Action Plan

**Task 9 – Project Management**

MWH will proactively manage staff resources and budget in order to meet the project schedule and deliver the scope of services described.

MWH will prepare and submit monthly invoices with supporting information.

**Meetings:**

- √ None

**Deliverables:**

- √ Project workshop schedules
- √ Monthly progress updates
- √ Monthly invoices

**Assumptions:**

- √ Project duration is anticipated to be 8 months

**Task 10 – Additional Services**

MWH will provide additional support as requested by the City. All Additional Services will be completed on an as-requested basis. Use of Additional Services budget will require prior authorization from the City.

**Meetings:**

- √ TBD

**Deliverables:**

- √ TBD

**Assumptions:**

- √ As requested services requiring prior authorization from the City up to \$15,000 not-to-exceed amount

**EXHIBIT B**

**PROFESSIONAL SERVICES AGREEMENT FOR DESIGN PROFESSIONALS**

**FEE SCHEDULE/MANNER OF PAYMENT**

1. **CONTRACTOR's Compensation.** The total of all fees paid to the CONTRACTOR for the performance of all services set forth in Exhibit A, including normal revisions (hereafter the "Services"), and for all authorized Reimbursable Expenses, shall not exceed the total sum of \$ 169,322.00.
2. **Billable Rates.** CONTRACTOR shall be paid for the performance of Services on an hourly rate, daily rate, flat fee, lump sum or other basis, as set forth in Attachment 1 to Exhibit B, attached hereto and incorporated herein. *[Attach list of billable rates that apply, labeled "Attachment 1 to Exhibit B".]*

All Billing rates will be adjusted annually every year on April 1<sup>st</sup>. The amount of annual adjustment to billing rates will be the higher of 2%, or the annual % increase determined based on the change in the U.S. Department of Labor, Bureau of Labor Statistics' Consumer Price Index for the San Francisco/Oakland area, but not to exceed the rate based on a CPI-U for Sacramento CA in the event a Sacramento index is created. Billing rates for staff in any position will apply.

Other Direct Costs, including travel, reproduction, printing, and binding applicable to the project, which will be charged at actual cost plus 10 percent.

3. **CONTRACTOR's Reimbursable Expenses.** Reimbursable Expenses shall be limited to actual expenditures of CONTRACTOR for expenses that are necessary for the proper completion of the Services and shall only be payable if specifically authorized in advance by CITY.
4. **Payments to CONTRACTOR.**
  - A. Payments to CONTRACTOR shall be made within a reasonable time after receipt of CONTRACTOR's invoice, said payments to be made in proportion to services performed or as otherwise specified in Attachment 1 to Exhibit B. CONTRACTOR may request payment on a monthly basis. CONTRACTOR shall be responsible for the cost of supplying all documentation necessary to verify the monthly billings to the satisfaction of CITY.
  - B. All invoices submitted by CONTRACTOR shall contain the following information:
    - (1) Job Name
    - (2) Description of services billed under this invoice, and overall status of project
    - (3) Date of Invoice Issuance
    - (4) Sequential Invoice Number
    - (5) CITY's Purchase Order Number
    - (6) Total Contract Amount
    - (7) Amount of this Invoice (Itemize all Reimbursable Expenses)
    - (8) Total Billed to Date
    - (9) Total Remaining on Contract

(10) Updated project schedule. This shall identify those steps that shall be taken to bring the project back on schedule if it is behind schedule.

C. Items shall be separated into Services and Reimbursable Expenses. Billings that do not conform to the format outlined above shall be returned to CONTRACTOR for correction. CITY shall not be responsible for delays in payment to CONTRACTOR resulting from CONTRACTOR's failure to comply with the invoice format described below.

D. Requests for payment shall be sent to:

*City of Sacramento*  
*Department of Utilities*  
1395 35<sup>th</sup> Avenue, Sacramento, CA 95822  
Phone: (916) 808-1728 / Fax: (916) 808-1497  
Attn: Rick Matsuo

5. **Additional Services.** Additional Services are those services related to the scope of services of CONTRACTOR set forth in Exhibit A but not anticipated at the time of execution of this Agreement. Additional Services shall be provided only when a Supplemental Agreement authorizing such Additional Services is approved by CITY in accordance with CITY's Supplemental Agreement procedures. CITY reserves the right to perform any Additional Services with its own staff or to retain other consultants to perform said Additional Services.

6. **Accounting Records of CONTRACTOR.** During performance of this Agreement and for a period of three (3) years after completing all Services and Additional Services hereunder, CONTRACTOR shall maintain all accounting and financial records related to this Agreement, including, but not limited to, records of CONTRACTOR's costs for all Services and Additional Services performed under this Agreement and records of CONTRACTOR's Reimbursable Expenses, in accordance with generally accepted accounting practices, and shall keep and make such records available for inspection and audit by representatives of the CITY upon reasonable written notice.

7. **Taxes.** CONTRACTOR shall pay, when and as due, any and all taxes incurred as a result of CONTRACTOR's compensation hereunder, including estimated taxes, and shall provide CITY with proof of such payment upon request. CONTRACTOR hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of CONTRACTOR's breach of this Section 7.

## ATTACHMENT 1 TO EXHIBIT B

### Fee Schedule Development of an Integrated Planning and Asset Management Process and Action Plan

#	Task	Scott	Gregory	Lisa	Craig	Julie	Glenn	Chris	Joshua	Cindy	Nichole	Labor	ODC	Cost
		Anschell	Baird	Butler	Moyle	Novak	Fawcett	DeHanas	Biggs	Koenig	Yost			
		\$195	\$245	\$225	\$195	\$245	\$300	\$150	\$95	\$225	\$95			
1	Document Review and Kick-off Call	16	8	8								\$6,880	\$0	\$6,880
2	Working Sessions	40	24	26								\$19,530	\$2,288	\$21,818
3	Communications, Change Management and Launch Strategy	2	2	6								\$2,230	\$0	\$2,230
4	IPAM Primer Workshop	16	16	8								\$8,840	\$2,079	\$10,919
5	Strategic Intent Workshop	20	16	32								\$15,020	\$2,079	\$17,099
6	Needs Assessment	50	40	24			8		24			\$29,630	\$2,607	\$32,237
7	Improvement Initiatives	50	24	24		8	8	24				\$28,990	\$0	\$28,990
8	Action Plan	48	16	16		16	6	8	12			\$24,940	\$1,309	\$26,249
9	Project Management	8			24					4	8	\$7,900	\$0	\$7,900
10	Additional Services											\$15,000	\$0	\$15,000
<b>TOTAL</b>		<b>242</b>	<b>138</b>	<b>144</b>	<b>24</b>	<b>24</b>	<b>22</b>	<b>32</b>	<b>36</b>	<b>4</b>	<b>8</b>	<b>\$158,960</b>	<b>\$10,362</b>	<b>\$169,322</b>
<b>% of Total Time</b>		<b>37%</b>	<b>20%</b>	<b>21%</b>	<b>4%</b>	<b>4%</b>	<b>3%</b>	<b>5%</b>	<b>5%</b>	<b>1%</b>	<b>1%</b>			

**EXHIBIT C**

**PROFESSIONAL SERVICES AGREEMENT FOR DESIGN PROFESSIONALS**

**FACILITIES AND EQUIPMENT TO BE PROVIDED BY CITY**

CITY shall [check one]  Not furnish any facilities or equipment for this Agreement; or  
 furnish the following facilities or equipment for the Agreement [*list, if applicable*]:

## EXHIBIT D

### PROFESSIONAL SERVICES AGREEMENT FOR DESIGN PROFESSIONALS

#### GENERAL PROVISIONS

##### 1. Independent Contractor.

- A. It is understood and agreed that CONTRACTOR (including CONTRACTOR's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither CONTRACTOR nor CONTRACTOR's assigned personnel shall be entitled to any benefits payable to employees of CITY. CITY is not required to make any deductions or withholdings from the compensation payable to CONTRACTOR under the provisions of this Agreement, and CONTRACTOR shall be issued a Form 1099 for its services hereunder. As an independent contractor, CONTRACTOR hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of CONTRACTOR's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any Services under this Agreement. (As used in this Exhibit D, the term "Services" shall include both Services and Additional Services as such terms are defined elsewhere in this Agreement.)
- B. It is further understood and agreed by the parties hereto that CONTRACTOR, in the performance of its obligations hereunder, is subject to the control and direction of CITY as to the designation of tasks to be performed and the results to be accomplished under this Agreement, but not as to the means, methods, or sequence used by CONTRACTOR for accomplishing such results. To the extent that CONTRACTOR obtains permission to, and does, use CITY facilities, space, equipment or support services in the performance of this Agreement, this use shall be at the CONTRACTOR's sole discretion based on the CONTRACTOR's determination that such use will promote CONTRACTOR's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the CITY does not require that CONTRACTOR use CITY facilities, equipment or support services or work in CITY locations in the performance of this Agreement.
- C. If, in the performance of this Agreement, any third persons are employed by CONTRACTOR, such persons shall be entirely and exclusively under the direction, supervision, and control of CONTRACTOR. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by CONTRACTOR. It is further understood and agreed that CONTRACTOR shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of CONTRACTOR's assigned personnel and subcontractors.
- D. The provisions of this Section 1 shall survive any expiration or termination of this Agreement. Nothing in this Agreement shall be construed to create an exclusive relationship between CITY and CONTRACTOR. CONTRACTOR may represent, perform services for, or be employed by such additional persons or companies as CONTRACTOR sees fit provided that CONTRACTOR does not violate the provisions of Section 5, below.

2. **Licenses; Permits, Etc.** CONTRACTOR represents and warrants that CONTRACTOR has all licenses, permits, City Business Operations Tax Certificate, qualifications, and approvals of whatsoever nature that are legally required for CONTRACTOR to practice its profession or provide any services under the Agreement. CONTRACTOR represents and warrants that CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for CONTRACTOR to practice its profession or provide such Services. Without limiting the generality of the foregoing, if CONTRACTOR is an out-of-state corporation, CONTRACTOR warrants and represents that it possesses a valid certificate of qualification to transact business in the State of California issued by the California Secretary of State pursuant to Section 2105 of the California Corporations Code.
3. **Time.** CONTRACTOR shall devote such time and effort to the performance of Services pursuant to this Agreement as is necessary for the satisfactory and timely performance of CONTRACTOR's obligations under this Agreement. Neither party shall be considered in default of this Agreement, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
4. **CONTRACTOR Not Agent.** Except as CITY may specify in writing, CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to act on behalf of CITY in any capacity whatsoever as an agent. CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to bind CITY to any obligations whatsoever.
5. **Conflicts of Interest.** CONTRACTOR covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, that would conflict in any manner with the interests of CITY or that would in any way hinder CONTRACTOR's performance of Services under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor, without the written consent of CITY. CONTRACTOR agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of CITY at all times during the performance of this Agreement. If CONTRACTOR is or employs a former officer or employee of the CITY, CONTRACTOR and any such employee(s) shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any CITY department, board, commission or committee.
6. **Confidentiality of CITY Information.** During performance of this Agreement, CONTRACTOR may gain access to and use CITY information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the CITY. CONTRACTOR agrees to protect all City Information and treat it as strictly confidential, and further agrees that CONTRACTOR shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the prior written consent of CITY. In addition, CONTRACTOR shall comply with all CITY policies governing the use of the CITY network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions # 30. A violation by CONTRACTOR of this Section 6 shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

**7. CONTRACTOR Information.**

- A. CITY shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement. In this Agreement, the term "information" shall be construed to mean and include: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostating, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. CONTRACTOR shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by CITY.
- B. CONTRACTOR shall fully defend, indemnify and hold harmless CITY, its officers and employees, and each and every one of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. CITY shall make reasonable efforts to notify CONTRACTOR not later than ten (10) days after CITY is served with any such claim, action, lawsuit or other proceeding, provided that CITY's failure to provide such notice within such time period shall not relieve CONTRACTOR of its obligations hereunder, which shall survive any termination or expiration of this Agreement.
- C. All proprietary and other information received from CONTRACTOR by CITY, whether received in connection with CONTRACTOR's proposal to CITY or in connection with any Services performed by CONTRACTOR, will be disclosed upon receipt of a request for disclosure, pursuant to the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to CITY, CITY shall give notice to CONTRACTOR of any request for the disclosure of such information. The CONTRACTOR shall then have five (5) days from the date it receives such notice to enter into an agreement with the CITY, satisfactory to the City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorney fees) incurred by CITY in any legal action to compel the disclosure of such information under the California Public Records Act. The CONTRACTOR shall have sole responsibility for defense of the actual "trade secret" designation of such information.
- D. The parties understand and agree that any failure by CONTRACTOR to respond to the notice provided by CITY and/or to enter into an agreement with CITY, in accordance with the provisions of subsection C, above, shall constitute a complete waiver by CONTRACTOR of any rights regarding the information designated "trade secret" by CONTRACTOR, and such information shall be disclosed by CITY pursuant to applicable procedures required by the Public Records Act.

- 8. **Standard of Performance.** CONTRACTOR shall perform all Services required pursuant to this Agreement in the manner and according to the standards currently observed by a competent practitioner of CONTRACTOR's profession in California. All products of whatsoever nature that CONTRACTOR delivers to CITY pursuant to this Agreement shall be prepared in a professional manner and conform to the

standards of quality normally observed by a person currently practicing in CONTRACTOR's profession, and shall be provided in accordance with any schedule of performance specified in Exhibit A. CONTRACTOR shall assign only competent personnel to perform Services pursuant to this Agreement. CONTRACTOR shall notify CITY in writing of any changes in CONTRACTOR's staff assigned to perform the Services required under this Agreement, prior to any such performance. In the event that CITY, at any time during the term of this Agreement, desires the removal of any person assigned by CONTRACTOR to perform Services pursuant to this Agreement, because CITY, in its sole discretion, determines that such person is not performing in accordance with the standards required herein, CONTRACTOR shall remove such person immediately upon receiving notice from CITY of the desire of CITY for the removal of such person.

**9. Term; Suspension; Termination.**

- A. This Agreement shall become effective on the date that it is approved by both parties, set forth on the first page of the Agreement, and shall continue in effect until both parties have fully performed their respective obligations under this Agreement, unless sooner terminated as provided herein.
- B. CITY shall have the right at any time to temporarily suspend CONTRACTOR's performance hereunder, in whole or in part, by giving a written notice of suspension to CONTRACTOR. If CITY gives such notice of suspension, CONTRACTOR shall immediately suspend its activities under this Agreement, as specified in such notice.
- C. CITY shall have the right to terminate this Agreement at any time by giving a written notice of termination to CONTRACTOR. If CITY gives such notice of termination, CONTRACTOR shall immediately cease rendering Services pursuant to this Agreement. If CITY terminates this Agreement:
  - (1) CONTRACTOR shall, not later than five days after such notice of termination, deliver to CITY copies of all information prepared pursuant to this Agreement.
  - (2) CITY shall pay CONTRACTOR the reasonable value of Services rendered by CONTRACTOR prior to termination; provided, however, CITY shall not in any manner be liable for lost profits that might have been made by CONTRACTOR had the Agreement not been terminated or had CONTRACTOR completed the Services required by this Agreement. In this regard, CONTRACTOR shall furnish to CITY such financial information as in the judgment of the CITY is necessary for CITY to determine the reasonable value of the Services rendered by CONTRACTOR. The foregoing is cumulative and does not affect any right or remedy that CITY may have in law or equity.

**10. Indemnity.**

- A. Indemnity: CONTRACTOR shall defend, hold harmless and indemnify CITY, its officers and employees, and each and every one of them, from and against any and all claims, actions, damages, costs, liabilities, demands, losses, judgments, penalties and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably incurred by CITY's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this

provision (hereafter collectively referred to as "Claims"), including but not limited to Claims arising from personal injury or death, damage to personal, real, or intellectual property, or the environment, contractual or other economic damages, or regulatory penalties, that arise out of, pertain to, or relate to any negligent act or omission, recklessness, or willful misconduct of CONTRACTOR, its sub-consultants, subcontractors, or agents, and their respective officers and employees, in connection with performance of or failure to perform this Agreement, whether or not such Claims are litigated, settled, or reduced to judgment; provided that the foregoing indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage, or expense to the extent arising from (i) the sole negligence or willful misconduct of, or defects in design furnished by, CITY, its agents, servants, or independent contractors who are directly responsible to CITY, or (ii) the active negligence of CITY.

- B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by CITY of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of CITY's rights under this Section 10, nor shall the limits of such insurance limit the liability of CONTRACTOR hereunder. This Section 10 shall not apply to any intellectual property claims, actions, lawsuits, or other proceedings subject to the provisions of Section 7.B., above. The provisions of this Section 10 shall survive any expiration or termination of this Agreement.

11. **Insurance Requirements.** During the entire term of this Agreement, CONTRACTOR shall maintain the insurance coverage described in this Section 11.

Full compensation for all premiums that CONTRACTOR is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Services provided by CONTRACTOR under this Agreement. No additional compensation will be provided for CONTRACTOR's insurance premiums.

It is understood and agreed by the CONTRACTOR that its liability to the CITY shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the CONTRACTOR in connection with this Agreement.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance, providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.
- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the CONTRACTOR.

No automobile liability insurance shall be required if CONTRACTOR completes the following certification:

"I certify that a motor vehicle will not be used in the performance of any work or services under this agreement." \_\_\_\_\_ (CONTRACTOR initials)

- (3) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Worker's Compensation policy shall include a waiver of subrogation for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

\_\_\_\_\_ Workers' Compensation waiver of subrogation in favor of the City is required for all work performed by the CONTRACTOR.

No Workers' Compensation insurance shall be required if CONTRACTOR completes the following certification:

"I certify that my business has no employees, and that I do not employ anyone. I am exempt from the legal requirements to provide Workers' Compensation insurance." \_\_\_\_\_ (CONTRACTOR initials)

- (4) Professional Liability Insurance providing coverage on a claims made basis for errors, omissions or malpractice with limits of not less than one million (\$1,000,000) dollars if required by the CITY under Exhibit A, Section 2.

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The CITY, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of activities performed by or on behalf of CONTRACTOR, products and completed operations of CONTRACTOR, and premises owned, leased or used by CONTRACTOR. The general liability additional insured endorsement must be signed by an authorized representative of the insurance carrier for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

\_\_\_\_\_ Additional insured endorsement must be signed by an authorized representative of the insurance carrier.

If the policy includes a blanket additional insured endorsement or contractual additional insured coverage, the above signature requirement may be fulfilled by submitting that document with a signed declaration page referencing the blanket endorsement or policy form.

- (2) Automobile Liability Insurance: The CITY, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Except for professional liability, CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, its officials, employees and volunteers. Any insurance or self-insurance maintained by CITY, its officials, employees or volunteers shall be in excess of CONTRACTOR's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its officials, employees or volunteers.
- (3) Coverage shall state that CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) CITY will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:V. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 11 must be declared to and approved by the CITY Risk Management Division in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) CONTRACTOR shall furnish CITY with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the CITY representative named in Exhibit A. Copies of policies shall be delivered to the CITY on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.
- (2) The CITY may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The CITY may withhold payments to CONTRACTOR and/or cancel the Agreement if the insurance is canceled or CONTRACTOR otherwise ceases to be insured as required herein.

F. Subcontractors

CONTRACTOR shall require and verify that all sub-consultants and subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

- 12. Equal Employment Opportunity.** During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:

- A. Compliance With Regulations: CONTRACTOR shall comply with the Executive Order 11246 entitled "Equal Opportunity in Federal Employment", as amended by Executive Order 11375 and 12086, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), hereinafter collectively referred to as the "Regulations".
- B. Nondiscrimination: CONTRACTOR, with regards to the work performed by it after award and prior to completion of the work pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. CONTRACTOR shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by CONTRACTOR for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by CONTRACTOR of CONTRACTOR's obligation under this Agreement and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
- D. Information and Reports: CONTRACTOR shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the CITY to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish this information, CONTRACTOR shall so certify to the CITY, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of noncompliance by CONTRACTOR with the nondiscrimination provisions of this Agreement, the CITY shall impose such sanctions as it may determine to be appropriate including, but not limited to:
- (1) Withholding of payments to CONTRACTOR under this Agreement until CONTRACTOR complies;
  - (2) Cancellation, termination, or suspension of the Agreement, in whole or in part.
- F. Incorporation of Provisions: CONTRACTOR shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. CONTRACTOR shall take such action with respect to any subcontract or procurement as the CITY may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, CONTRACTOR may request CITY to enter such litigation to protect the interests of CITY.

13. **Entire Agreement.** This document, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alteration to the terms of this Agreement shall be valid unless approved in writing by CONTRACTOR, and by CITY, in accordance with applicable provisions of the Sacramento City Code.
14. **Severability.** If any portion of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
15. **Waiver.** Neither CITY acceptance of, or payment for, any Service or Additional Service performed by CONTRACTOR, nor any waiver by either party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.
16. **Enforcement of Agreement.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
17. **Assignment Prohibited.** The expertise and experience of CONTRACTOR are material considerations for this Agreement. CITY has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on CONTRACTOR under this Agreement. In recognition of this interest, CONTRACTOR shall not assign any right or obligation pursuant to this Agreement without the written consent of the CITY. Any attempted or purported assignment without CITY's written consent shall be void and of no effect.
18. **Binding Effect.** This Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 17, above.
19. **Use Tax Requirements.** During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:
  - A. **Use Tax Direct Payment Permit:** For all leases and purchases of materials, equipment, supplies, or other tangible personal property used to perform the Agreement and shipped from outside California, the Contractor and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment Permit from the California State Board of Equalization ("SBE") in accordance with the applicable SBE criteria and requirements.
  - B. **Sellers Permit:** For any construction contract and any construction subcontract in the amount of \$5,000,000 or more, Contractor and the subcontractor(s) shall obtain sellers permits from the SBE and shall register the jobsite as the place of business for the purpose of allocating local sales and use tax to the City. Contractor and its subcontractors shall remit the self-accrued use tax to the SBE, and shall provide a copy of each remittance to the City.

- C. The above provisions shall apply in all instances unless prohibited by the funding source for the Agreement.

## EXHIBIT E

### REQUIREMENTS OF THE NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

#### INTRODUCTION

The Sacramento Non-Discrimination In Employee Benefits Code (the "Ordinance"), codified as Sacramento City Code Chapter 3.54, prohibits City contractors from discriminating in the provision of employee benefits between employees with spouses and employees with domestic partners, and between the spouses and domestic partners of employees.

#### APPLICATION

The provisions of the Ordinance apply to any contract or agreement (as defined below), between a Contractor and the City of Sacramento, in an amount exceeding \$100,000.00. The Ordinance applies to that portion of a contractor's operations that occur: (i) within the City of Sacramento; (ii) on real property outside the City of Sacramento if the property is owned by the City or if the City has a right to occupy the property; or (iii) at any location where a significant amount of work related to a City contract is being performed.

The Ordinance does not apply: to subcontractors or subcontracts of any Contractor or contractors; to transactions entered into pursuant to cooperative purchasing agreements approved by the Sacramento City Council; to legal contracts of other governmental jurisdictions or public agencies without separate competitive bidding by the City; where the requirements of the ordinance will violate or are inconsistent with the terms or conditions of a grant, subvention or agreement with a public agency or the instructions of an authorized representative of any such agency with respect to any such grant, subvention or agreement; to permits for excavation or street construction; or to agreements for the use of City right-of-way where a contracting utility has the power of eminent domain.

#### DEFINITIONS

As set forth in the Ordinance, the following definitions apply:

"Contract" means an agreement for public works or improvements to be performed, or for goods or services to be purchased or grants to be provided, at the expense of the City or to be paid out of moneys deposited in the treasury or out of the trust money under the control or collected by the City. "Contract" also means a written agreement for the exclusive use ("exclusive use" means the right to use or occupy real property to the exclusion of others, other than the right reserved by the fee owner) or occupancy of real property for a term exceeding 29 days in any calendar year, whether by singular or cumulative instrument, (i) for the operation or use by others of real property owned or controlled by the City for the operation of a business, social, or other establishment or organization, including leases, concessions, franchises and easements, or (ii) for the City's use or occupancy of real property owned by others, including leases, concessions, franchises and easements.

"Contract" shall not include: a revocable at-will use or encroachment permit for the use of or encroachment on City property regardless of the ultimate duration of such permit; excavation, street construction or street use permits; agreements for the use of City right-of-way where a contracting utility has the power of eminent domain; or agreements governing the use of City property that constitute a public forum for activities that are primarily for the purpose of espousing or advocating causes or ideas and that are generally protected by the First Amendment to the United States Constitution or that are primarily recreational in nature.

"Contractor" means any person or persons, firm, partnership, corporation, company, or combination thereof, that enters into a Contract with the City. "Contractor" does not include a public entity.

"Domestic Partner" means any person who has a currently registered domestic partnership with a governmental entity pursuant to state or local law authorizing the registration.

"Employee Benefits" means bereavement leave; disability, life, and other types of insurance; family medical leave; health benefits; membership or membership discounts; moving expenses; pension and retirement benefits; vacation; travel benefits; and any other benefit given to employees. "Employee benefits" shall not include benefits to the extent that the application of the requirements of this chapter to such benefits may be preempted by federal or state.

#### **CONTRACTOR'S OBLIGATION TO PROVIDE THE CITY WITH DOCUMENTATION AND INFORMATION**

Contractor shall provide the City with documentation and information verifying its compliance with the requirements of the Ordinance within ten (10) days of receipt of a request from the City. Contractors shall keep accurate payroll records, showing, for each City Contract, the employee's name, address, Social Security number, work classification, straight time pay rate, overtime pay rate, overtime hours worked, status and exemptions, and benefits for each day and pay period that the employee works on the City Contract. Each request for payroll records shall be accompanied by an affidavit to be completed and returned by the Contractor, as stated, attesting that the information contained in the payroll records is true and correct, and that the Contractor has complied with the requirements of the Ordinance. A violation of the Ordinance or noncompliance with the requirements of the Ordinance shall constitute a breach of contract.

#### **EMPLOYER COMPLIANCE CERTIFICATE AND NOTICE REQUIREMENTS**

(a) All contractors seeking a Contract subject to the Ordinance shall submit a completed Declaration of Compliance Form, signed by an authorized representative, with each proposal, bid or application. The Declaration of Compliance shall be made a part of the executed contract, and will be made available for public inspection and copying during regular business hours.

(b) The Contractor shall give each existing employee working directly on a City contract, and (at the time of hire), each new employee, a copy of the notification provided as Attachment "A."

(c) Contractor shall post, in a place visible to all employees, a copy of the notice provided as Attachment "B."

## Attachment A



### YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

On ..... (date), your employer (the "Employer") entered into a contract with the City of Sacramento (the "City") for ..... (contract details), and as a condition of that contract, agreed to abide by the requirements of the City's Non-Discrimination In Employee Benefits Code (Sacramento City Code Section 3.54).

The Ordinance does not require the Employer to provide employee benefits. The Ordinance does require that if certain employee benefits are provided by the Employer, that those benefits be provided without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouse or domestic partner of employees.

The Ordinance covers any employee working on the specific contract referenced above, but only for the period of time while those employees are actually working on this specific contract.

The included employee benefits are:

- Bereavement leave
- Disability, life and other types of insurance
- Family medical leave
- Health benefits
- Membership or membership discounts
- Moving expenses
- Pension and retirement benefits
- Vacation
- Travel benefits
- Any other benefits given to employees

(Employee Benefits does not include benefits that may be preempted by federal or state law.)

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, or in the application of these employee benefits, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of the Ordinance, and after having exhausted all remedies with your employer,

**You May . . .**

- Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:

City of Sacramento  
Procurement Services Division  
5730 24<sup>th</sup> Street, Bldg. 1  
Sacramento, CA 95822

- Bring an action in the appropriate division of the Superior Court of the State of California against the Employer and obtain the following remedies:
  - Reinstatement, injunctive relief, compensatory damages and punitive damages
  - Reasonable attorney's fees and costs

## Attachment B



### YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

If your employer provides employee benefits, they must be provided to those employees working on a City of Sacramento contract without discriminating between employees with spouses and employees with domestic partners..

The included employee benefits are:

- Bereavement leave
- Disability, life and other types of insurance
- Family medical leave
- Health benefits
- Membership or membership discounts
- Moving expenses
- Pension and retirement benefits
- Vacation
- Travel benefits
- Any other benefits given to employees

If you feel you have been discriminated against by your employer . . .

**You May . . .**

- Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:

City of Sacramento  
Procurement Services Division  
5730 24<sup>th</sup> Street, Bldg. 1  
Sacramento, CA 95822

- Bring an action in the appropriate division of the Superior Court of the State of California against the employer and obtain reinstatement, injunctive relief, compensatory damages, punitive damages and reasonable attorney's fees and costs.

### **Discrimination and Retaliation Prohibited.**

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of this Ordinance . . .

**You May Also . . .**

Submit a written complaint to the City of Sacramento, Contract Services Unit, at the same address, containing the details of the alleged violation.

**LOCAL BUSINESS ENTERPRISE (LBE) PREFERENCE PROGRAM**

**NOTE:** Proposers must provide responses to the following items. Failure to provide a response to each of the items in this section may be grounds for rejection of the proposal.

**1. LBE FIVE PERCENT (5%) PREFERENCE**

On April 3, 2012, the Sacramento City Council adopted a Local Business Enterprise (LBE) Preference Program to provide enhanced opportunities for the participation of local business enterprises (LBEs) in the City's contracting and procurement activities. On November 19, 2013, City Council increased the LBE preference and authorized City departments to require minimum LBE participation levels in individual contracts.

Local Business Enterprise means a business enterprise, including but not limited to, a sole proprietorship, partnership, limited liability company, corporation, or other business entity that has a legitimate business presence in the city or unincorporated county of Sacramento. Evidence of legitimate business presence in the city or unincorporated county of Sacramento shall include:

1. Having a current City of Sacramento Business Operation Tax or County of Sacramento Business License for at least twelve (12) consecutive months prior to submission of bid; and
2. Having either of the following types of offices or workspace operating legally within the city or unincorporated county of Sacramento for at least twelve (12) consecutive months prior to submission of bid:
  - a. The LBE's principle business office or workspace; or
  - b. The LBE's regional, branch or satellite office with at least one full time employee located in the city or unincorporated county of Sacramento.

**A. LOCAL BUSINESS ENTERPRISE (LBE)**

Is the firm submitting the bid qualified as a local business enterprise? Check the appropriate box below:

- YES - the firm submitting the bid is qualified as a local business enterprise.
- NO - the firm submitting the bid is not qualified as a local business enterprise.

If the response to the above is YES, provide the City of Sacramento Business Operations Tax Certificate Number and/or County of Sacramento Business License Number:

66308

If the response to the above is YES, provide a current copy of the City of Sacramento Business Operations Tax Certificate and/or County of Sacramento Business License.

If the response to the above is YES, provide business office or workspace address\*:

3321 Power Inn Road Suite 300

Sacramento, CA 95826

\* Address must be a physical address for the basis of location, this excludes P.O. Box addresses.

## Request for Taxpayer Identification Number and Certification

Give Form to the  
 requester. Do not  
 send to the IRS.

Print or type See Specific instructions on page 2.	Name (as shown on your income tax return) <b>MWH Americas Inc</b>		
	Business name/disregarded entity name, if different from above		
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input checked="" type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate  <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____  <input type="checkbox"/> Other (see instructions) ▶ _____	Exemptions (see instructions):  Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____	
	Address (number, street, and apt. or suite no.) <b>7237 Church Ranch Blvd, Suite 410</b>	Requester's name and address (optional)	
	City, state, and ZIP code <b>Westminster, CO 80021</b>		
List account number(s) here (optional) <b>Remittance address for check payment only: MWH Americas, Inc P.O. Box 842728 Los Angeles, CA 90084-2728</b>			

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

<b>Social security number</b>	
[ ][ ] - [ ][ ] - [ ][ ][ ][ ]	
<b>Employer identification number</b>	
9 5 - 1 8 7 8 8 0 5	

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below), and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶ 2/5/14
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**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** The IRS has created a page on IRS.gov for information about Form W-9, at [www.irs.gov/w9](http://www.irs.gov/w9). Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

**Purpose of Form**

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

**Note.** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

# 2014 Withholding Exemption Certificate

590

The payee completes this form and submits it to the withholding agent.

Withholding Agent (Type or print)

Name

CITY OF SACRAMENTO

Payee

Name

MWH Americas Inc.

SSN or ITIN  FEIN  CA Corp no.  CA SOS file no.

9 5 - 1 8 7 8 8 0 5

Address (apt./ste., room, PO Box, or PMB no.)

380 Interlocken Crescent Ste. 200

City (If you have a foreign address, see instructions.)

Broomfield

State

CO

ZIP Code

80021

### Exemption Reason

Check only one reason box below that applies to the payee.

By checking the appropriate box below, the Payee certifies the reason for the exemption from the California income tax withholding requirements on payment(s) made to the entity or individual.

**Individuals — Certification of Residency:**

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

**Corporations:**

The corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

**Partnerships or limited liability companies (LLCs):**

The partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.

**Tax-Exempt Entities:**

The entity is exempt from tax under California Revenue and Taxation Code (R&TC) Section 23701 \_\_\_\_\_ (insert letter) or Internal Revenue Code Section 501(c) \_\_\_\_\_ (insert number). If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

**Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit Sharing Plans:**

The entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

**California Trusts:**

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return. If the trustee or noncontingent beneficiary becomes a nonresident at any time, I will promptly notify the withholding agent.

**Estates — Certification of Residency of Deceased Person:**

I am the executor of the above-named person's estate or trust. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return.

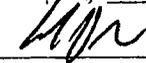
**Nonmilitary Spouse of a Military Servicemember:**

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

**CERTIFICATE OF PAYEE:** Payee must complete and sign below.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Payee's name and title (type or print) Cade Olbricht - Accounting Manager Telephone (303) 385-5635

Payee's signature  Date 5/13/14

MUST BE POSTED IN CONSPICUOUS PLACE

66308

66308

SACRAMENTO

BUSINESS OPERATIONS TAX CERTIFICATE

Business Name	MWH AMERICAS INC.	FROM	TO
Business Address	3321 POWER INN RD 300	Mo. Day Yr.	Mo. Day Yr.
Owner	MONTGOMERY WATSON AMERIC	07/01/2014	06/30/2015
Type of Business	CONSULTING ENGINEERING SERVICE		Expires
Tax Classification	402A		

TOTAL PAID: \$6,932.00

MWH AMERICAS INC.  
ATTN: ACCOUNTING DEPT.  
7237 CHURCH RANCH BLVD 410  
WESTMINSTER, CO 80021

CITY OF SACRAMENTO

IF NOT  
VALIDATED  
JUL 09 2014

PAID

THIS STUB MAY BE  
FOLDED/DETACHED  
BEFORE POSTING

This certificate is not to be construed as a business license or imply that the City of Sacramento has investigated, or approves or recommends, the holder of this certificate. Any representation to the contrary is fraudulent. (This certificate must be renewed within 30 days of expiration).



THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Lockton Companies 444 W. 47th Street, Suite 900 Kansas City MO 64112-1906 (816) 960-9000	<b>CONTACT NAME:</b> _____	
	<b>PHONE (A/C, No, Ext):</b> _____	<b>FAX (A/C, No):</b> _____
<b>E-MAIL ADDRESS:</b> _____		
<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
<b>INSURER A:</b> Lloyd's of London (AF Beazley)		
<b>INSURER B:</b>		
<b>INSURER C:</b>		
<b>INSURER D:</b>		
<b>INSURER E:</b>		
<b>INSURER F:</b>		

**INSURED** MWH GLOBAL, INC.  
 1357413 370 INTERLOCKEN BLVD.  
 STE. 300  
 BROOMFIELD CO 80021

**COVERAGES** MWHGL05      **CERTIFICATE NUMBER:** 12942154      **REVISION NUMBER:** XXXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER			NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX DAMAGE TO RENTED PREMISES (Ea occurrence) \$ XXXXXXXX MED EXP (Any one person) \$ XXXXXXXX PERSONAL & ADV INJURY \$ XXXXXXXX GENERAL AGGREGATE \$ XXXXXXXX PRODUCTS - COMP/OP AGG \$ XXXXXXXX \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			NOT APPLICABLE			COMBINED SINGLE LIMIT (Ea accident) \$ XXXXXXXX BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$			NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX AGGREGATE \$ XXXXXXXX \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	NOT APPLICABLE			PER STATUTE    OTH-ER E.L. EACH ACCIDENT \$ XXXXXXXX E.L. DISEASE - EA EMPLOYEE \$ XXXXXXXX E.L. DISEASE - POLICY LIMIT \$ XXXXXXXX
A	<b>PROFESSIONAL LIABILITY</b>	N	N	GLOPR1301286	10/1/2013	10/1/2014	EACH CLAIM: \$1,000,000 AGGREGATE: \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

**CERTIFICATE HOLDER**

**CANCELLATION**

<p><b>12942154</b></p> <p>CITY OF SACRAMENTO DEPARTMENT OF UTILITIES                  ATTN: RICK MATSUO, P.E.                  1395 - 35TH AVENUE                  SACRAMENTO CA 95822</p>	<p>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</p> <p>AUTHORIZED REPRESENTATIVE</p> <p style="text-align: center;"><i>Ronald J. Foster</i></p>
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# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
5/16/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Willis of Colorado, Inc. c/o 26 Century Blvd P.O. Box 305191 Nashville, TN 37230-5191	<b>CONTACT NAME:</b> _____
	<b>PHONE (A/C, No, Ext):</b> (877) 945-7378 <b>FAX (A/C, No):</b> (888) 467-2378 <b>E-MAIL ADDRESS:</b> _____
<b>INSURED</b> MWH Global Inc. MWH Americas, Inc. MWH Constructors, Inc. 380 Interlocken Crescent, Ste 200 Broomfield, CO 80021	<b>INSURER(S) AFFORDING COVERAGE</b> <b>NAIC #</b>
	<b>INSURER A:</b> Travelers Indemnity Company      25658
	<b>INSURER B:</b> Travelers Property Casualty Company of America      25674
	<b>INSURER C:</b> _____
	<b>INSURER D:</b> _____
	<b>INSURER E:</b> _____

**COVERAGES**      **CERTIFICATE NUMBER:**      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

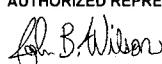
INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY	X	VTC2K-CO-5643B790-IND-13	8/31/2013	8/31/2014	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR					MED EXP (Any one person) \$
						PERSONAL & ADV INJURY \$ 1,000,000
						GENERAL AGGREGATE \$ 2,000,000
						PRODUCTS - COMP/OP AGG \$ 2,000,000
						GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC
B	AUTOMOBILE LIABILITY	X	VTC2JCAP5643B808TIL13	8/31/2013	8/31/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO					BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS					BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS					PROPERTY DAMAGE (Per accident) \$
						\$
	UMBRELLA LIAB					EACH OCCURRENCE \$
	EXCESS LIAB					AGGREGATE \$
	DED					\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	N/A	VTC2KUB5643B81A13	8/31/2013	8/31/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	<input checked="" type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)					E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
						E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

The City, its officials, employees, and volunteers are included as an Additional Insured with respects to General Liability and Automobile Liability.

The General Liability policy shall be Primary and Non-Contributory with any other insurance in force for or which may be purchased by Additional Insured.

Waiver of subrogation applies in favor of the Additional Insured with respects to General Liability, Automobile Liability and Workers Compensation, as permitted by law.

<b>CERTIFICATE HOLDER</b> City of Sacramento Department of Utilities Attn: Rick Matsuo, P.E. 1395 35th Avenue Sacramento, CA 95822	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**

## **BLANKET ADDITIONAL INSURED (CONTRACTORS)**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. WHO IS AN INSURED – (Section II) is amended to include any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:
  - a) Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
  - b) If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.
2. The insurance provided to the additional insured by this endorsement is limited as follows:
  - a) In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section III – Limits Of Insurance.
  - b) The insurance provided to the additional insured does not apply to "bodily injury", "property damage" or "personal injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
    - i. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
    - ii. Supervisory, inspection, architectural or engineering activities.
3. The insurance provided to the additional insured by this endorsement is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover under this endorsement. However, if the "written contract requiring insurance" specifically requires that this insurance apply on a primary basis or a primary and non-contributory basis, this insurance is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that "other insurance". But the insurance provided to the additional insured by this endorsement still is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under such "other insurance".
4. As a condition of coverage provided to the additional insured by this endorsement:
  - a) The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:
    - c) The insurance provided to the additional insured does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

COMMERCIAL GENERAL LIABILITY

- i. How, when and where the "occurrence" or offense took place;
  - ii. The names and addresses of any injured persons and witnesses; and
  - iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b) If a claim is made or "suit" is brought against the additional insured, the additional insured must:
- i. Immediately record the specifics of the claim or "suit" and the date received; and
  - ii. Notify us as soon as practicable.
- The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c) The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
- d) The additional insured must tender the defense and indemnity of any claim or "suit" to

any provider of "other insurance" which would cover the additional insured for a loss we cover under this endorsement. However, this condition does not affect whether the insurance provided to the additional insured by this endorsement is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured as described in paragraph 3. above.

5. The following definition is added to SECTION V. - DEFINITIONS:

"Written contract requiring insurance" means that part of any written contract or agreement under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

- a. After the signing and execution of the contract or agreement by you;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## CONTRACTORS XTEND ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**GENERAL DESCRIPTION OF COVERAGE** – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- A. Aircraft Chartered With Pilot
- B. Damage To Premises Rented To You
- C. Increased Supplementary Payments
- D. Incidental Medical Malpractice
- E. Who Is An Insured – Newly Acquired Or Formed Organizations
- F. Who Is An Insured – Broadened Named Insured – Unnamed Subsidiaries
- G. Blanket Additional Insured – Owners, Managers Or Lessors Of Premises
- H. Blanket Additional Insured – Lessors Of Leased Equipment
- I. Blanket Additional Insured – States Or Political Subdivisions – Permits
- J. Knowledge And Notice Of Occurrence Or Offense
- K. Unintentional Omission
- L. Blanket Waiver Of Subrogation
- M. Amended Bodily Injury Definition
- N. Contractual Liability – Railroads

### PROVISIONS

#### A. AIRCRAFT CHARTERED WITH PILOT

The following is added to Exclusion g., **Aircraft, Auto Or Watercraft**, in Paragraph 2. of SECTION I – COVERAGES – **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

This exclusion does not apply to an aircraft that is:

- (a) Chartered with a pilot to any insured;
- (b) Not owned by any insured; and
- (c) Not being used to carry any person or property for a charge.

#### B. DAMAGE TO PREMISES RENTED TO YOU

1. The first paragraph of the exceptions in Exclusion j., **Damage To Property**, in Paragraph 2. of SECTION I – COVERAGES – **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is deleted.

2. The following replaces the last paragraph of Paragraph 2., **Exclusions**, of SECTION I – COVERAGES – **COVERAGE A. BODILY**

### INJURY AND PROPERTY DAMAGE LIABILITY:

Exclusions c. and g. through n. do not apply to "premises damage". Exclusion f.(1)(a) does not apply to "premises damage" caused by:

- a. Fire;
- b. Explosion;
- c. Lightning;
- d. Smoke resulting from such fire, explosion, or lightning; or
- e. Water;

unless Exclusion f. of Section I – Coverage A – **Bodily Injury And Property Damage Liability** is replaced by another endorsement to this Coverage Part that has Exclusion – **All Pollution Injury Or Damage or Total Pollution Exclusion** in its title.

A separate limit of insurance applies to "premises damage" as described in Paragraph 6. of SECTION III – **LIMITS OF INSURANCE**.

COMMERCIAL GENERAL LIABILITY

3. The following replaces Paragraph 6. of SECTION III – LIMITS OF INSURANCE:

Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "premises damage" to any one premises. The Damage To Premises Rented To You Limit will apply to all "property damage" proximately caused by the same "occurrence", whether such damage results from: fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; or water; or any combination of any of these causes.

The Damage To Premises Rented To You Limit will be:

- a. The amount shown for the Damage To Premises Rented To You Limit on the Declarations of this Coverage Part; or
  - b. \$300,000 if no amount is shown for the Damage To Premises Rented To You Limit on the Declarations of this Coverage Part.
4. The following replaces Paragraph a. of the definition of "insured contract" in the DEFINITIONS Section:
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "premises damage" is not an "insured contract";
5. The following is added to the DEFINITIONS Section:
- "Premises damage" means "property damage" to:
- a. Any premises while rented to you or temporarily occupied by you with permission of the owner; or
  - b. The contents of any premises while such premises is rented to you, if you rent such premises for a period of seven or fewer consecutive days.
6. The following replaces Paragraph 4.b.(1)(b) of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:
- (b) That is insurance for "premises damage"; or
7. Paragraph 4.b.(1)(c) of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS is deleted.

C. INCREASED SUPPLEMENTARY PAYMENTS

1. The following replaces Paragraph 1.b. of SUPPLEMENTARY PAYMENTS – COVERAGES A AND B of SECTION I – COVERAGE:

b. Up to \$2,500 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

2. The following replaces Paragraph 1.d. of SUPPLEMENTARY PAYMENTS – COVERAGES A AND B of SECTION I – COVERAGES:

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

D. INCIDENTAL MEDICAL MALPRACTICE

1. The following is added to the definition of "occurrence" in the DEFINITIONS Section:

"Occurrence" also means an act or omission committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to a person.

2. The following is added to Paragraph 2.a.(1) of SECTION II – WHO IS AN INSURED:

Paragraph (1)(d) above does not apply to "bodily injury" arising out of providing or failing to provide:

(i) "Incidental medical services" by any of your "employees" who is a nurse practitioner, registered nurse, licensed practical nurse, nurse assistant, emergency medical technician or paramedic; or

(ii) First aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

COMMERCIAL GENERAL LIABILITY

3. The following is added to Paragraph 5. of **SECTION III – LIMITS OF INSURANCE:**

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

4. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

**Sale Of Pharmaceuticals**

"Bodily injury" or "property damage" arising out of the willful violation of a penal statute or ordinance relating to the sale of pharmaceuticals committed by, or with the knowledge or consent of, the insured.

5. The following is added to the **DEFINITIONS** Section:

"Incidental medical services" means:

- a. Medical, surgical, dental, laboratory, x-ray or nursing service or treatment, advice or instruction, or the related furnishing of food or beverages; or
- b. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances.

"Good Samaritan services" means any emergency medical services for which no compensation is demanded or received.

6. The following is added to Paragraph 4.b., **Excess Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

The insurance is excess over any valid and collectible other insurance available to the insured, whether primary, excess, contingent or on any other basis, that is available to any of your "employees" or "volunteer workers" for "bodily injury" that arises out of providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to any person to the extent not subject to Paragraph 2.a.(1) of Section II – Who Is An Insured.

**E. WHO IS AN INSURED – NEWLY ACQUIRED OR FORMED ORGANIZATIONS**

The following replaces Paragraph 4. of **SECTION II – WHO IS AN INSURED:**

4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, of which you are the sole owner or in which you maintain the majority ownership interest, will qualify as a Named Insured if there is no other insurance which provides similar coverage to that organization. However:

- a. Coverage under this provision is afforded only:

(1) Until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, if you do not report such organization in writing to us within 180 days after you acquire or form it; or

(2) Until the end of the policy period, when that date is later than 180 days after you acquire or form such organization, if you report such organization in writing to us within 180 days after you acquire or form it, and we agree in writing that it will continue to be a Named Insured until the end of the policy period;

- b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

- c. Coverage B does not apply to "personal injury" or "advertising injury" arising out of an offense committed before you acquired or formed the organization.

**F. WHO IS AN INSURED – BROADENED NAMED INSURED – UNNAMED SUBSIDIARIES**

The following is added to **SECTION II – WHO IS AN INSURED:**

Any of your subsidiaries, other than a partnership, joint venture or limited liability company, that is not shown as a Named Insured in the Declarations is a Named Insured if you maintain an ownership interest of more than 50% in such subsidiary on the first day of the policy period.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal injury" or "advertising injury" caused by an offense committed after the date, if any, during the policy period, that you no longer maintain an ownership interest of more than 50% in such subsidiary.

COMMERCIAL GENERAL LIABILITY

**G. BLANKET ADDITIONAL INSURED – OWNERS, MANAGERS OR LESSORS OF PREMISES**

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is a premises owner, manager or lessor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" that:

- a. Is "bodily injury" or "property damage" that occurs, or is "personal injury" or "advertising injury" caused by an offense that is committed, subsequent to the execution of that contract or agreement; and
- b. Arises out of the ownership, maintenance or use of that part of any premises leased to you.

The insurance provided to such premises owner, manager or lessor is subject to the following provisions:

- a. The limits of insurance provided to such premises owner, manager or lessor will be the minimum limits which you agreed to provide in the written contract or agreement, or the limits shown on the Declarations, whichever are less.
- b. The insurance provided to such premises owner, manager or lessor does not apply to:
  - (1) Any "bodily injury" or "property damage" that occurs, or "personal injury" or "advertising injury" caused by an offense that is committed, after you cease to be a tenant in that premises; or
  - (2) Structural alterations, new construction or demolition operations performed by or on behalf of such premises owner, lessor or manager.
- c. The insurance provided to such premises owner, manager or lessor is excess over any valid and collectible other insurance available to such premises owner, manager or lessor, whether primary, excess, contingent or on any other basis, unless you have agreed in the written contract or agreement that this insurance must be primary to, or non-contributory with, such other insurance, in which case this insurance will be primary to, and non-contributory with, such other insurance.

**H. BLANKET ADDITIONAL INSURED – LESSORS OF LEASED EQUIPMENT**

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is an equipment lessor and that you have agreed in a written contract or agreement to include as an insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" that:

- a. Is "bodily injury" or "property damage" that occurs, or is "personal injury" or "advertising injury" caused by an offense that is committed, subsequent to the execution of that contract or agreement; and
- b. Is caused, in whole or in part, by your acts or omissions in the maintenance, operation or use of equipment leased to you by such equipment lessor.

The insurance provided to such equipment lessor is subject to the following provisions:

- a. The limits of insurance provided to such equipment lessor will be the minimum limits which you agreed to provide in the written contract or agreement, or the limits shown on the Declarations, whichever are less.
- b. The insurance provided to such equipment lessor does not apply to any "bodily injury" or "property damage" that occurs, or "personal injury" or "advertising injury" caused by an offense that is committed, after the equipment lease expires.
- c. The insurance provided to such equipment lessor is excess over any valid and collectible other insurance available to such equipment lessor, whether primary, excess, contingent or on any other basis, unless you have agreed in the written contract or agreement that this insurance must be primary to, or non-contributory with, such other insurance, in which case this insurance will be primary to, and non-contributory with, such other insurance.

**I. BLANKET ADDITIONAL INSURED – STATES OR POLITICAL SUBDIVISIONS – PERMITS**

The following is added to **SECTION II – WHO IS AN INSURED**:

Any state or political subdivision that has issued a permit in connection with operations performed by you or on your behalf and that you are required

COMMERCIAL GENERAL LIABILITY

by any ordinance, law or building code to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of such operations.

The insurance provided to such state or political subdivision does not apply to:

- a. Any "bodily injury," "property damage," "personal injury" or "advertising injury" arising out of operations performed for that state or political subdivision; or
- b. Any "bodily injury" or "property damage" included in the "products-completed operations hazard".

**J. KNOWLEDGE AND NOTICE OF OCCURRENCE OR OFFENSE**

The following is added to Paragraph 2., **Duties In The Event of Occurrence, Offense, Claim or Suit**, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

e. The following provisions apply to Paragraph a. above, but only for the purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section II – Who Is An Insured:

- (1) Notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint venture), any of your managers who is an individual (if you are a limited liability company), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture or limited liability company) or any "employee" authorized by you to give notice of an "occurrence" or offense.
- (2) If you are a partnership, joint venture or limited liability company, and none of your partners, joint venture members or managers are individuals, notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by:
  - (a) Any individual who is:
    - (i) A partner or member of any partnership or joint venture;

(ii) A manager of any limited liability company; or

(iii) An executive officer or director of any other organization;

that is your partner, joint venture member or manager; or

(b) Any "employee" authorized by such partnership, joint venture, limited liability company or other organization to give notice of an "occurrence" or offense.

(3) Notice to us of such "occurrence" or of an offense will be deemed to be given as soon as practicable if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice to us of the "occurrence" or offense as soon as practicable after any of the persons described in Paragraphs e. (1) or (2) above discovers that the "occurrence" or offense may result in sums to which the insurance provided under this Coverage Part may apply.

However, if this Coverage Part includes an endorsement that provides limited coverage for "bodily injury" or "property damage" or pollution costs arising out of a discharge, release or escape of "pollutants" which contains a requirement that the discharge, release or escape of "pollutants" must be reported to us within a specific number of days after its abrupt commencement, this Paragraph e. does not affect that requirement.

**K. UNINTENTIONAL OMISSION**

The following is added to Paragraph 6., **Representations**, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

**L. BLANKET WAIVER OF SUBROGATION**

The following is added to Paragraph 8., **Transfer Of Rights Of Recovery Against Others To Us**, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

## COMMERCIAL GENERAL LIABILITY

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

- a. "Bodily injury" or "property damage" that occurs; or
- b. "Personal injury" or "advertising injury" caused by an offense that is committed; subsequent to the execution of that contract or agreement.

### M. AMENDED BODILY INJURY DEFINITION

The following replaces the definition of "bodily injury" in the **DEFINITIONS** Section:

3. "Bodily injury" means bodily injury, mental anguish, mental injury, shock, fright, disability, humiliation, sickness or disease sustained by a person, including death resulting from any of these at any time.

## ~~N. CONTRACTUAL LIABILITY - RAILROADS~~

1. The following replaces Paragraph c. of the definition of "insured contract" in the **DEFINITIONS** Section:
  - c. Any easement or license agreement;
2. Paragraph f.(1) of the definition of "insured contract" in the **DEFINITIONS** Section is deleted.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## BUSINESS AUTO EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

### BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**GENERAL DESCRIPTION OF COVERAGE** – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>A. BROAD FORM NAMED INSURED</li> <li>B. BLANKET ADDITIONAL INSURED</li> <li>C. EMPLOYEE HIRED AUTO</li> <li>D. EMPLOYEES AS INSURED</li> <li>E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS</li> <li>F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS</li> <li>G. WAIVER OF DEDUCTIBLE – GLASS</li> </ul> | <ul style="list-style-type: none"> <li>H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT</li> <li>I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT</li> <li>J. PERSONAL EFFECTS</li> <li>K. AIRBAGS</li> <li>L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS</li> <li>M. BLANKET WAIVER OF SUBROGATION</li> <li>N. UNINTENTIONAL ERRORS OR OMISSIONS</li> </ul> |
|--|---|

### PROVISIONS

#### A. BROAD FORM NAMED INSURED

The following is added to Paragraph A.1., **Who Is An Insured**, of SECTION II – LIABILITY COVERAGE:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

#### B. BLANKET ADDITIONAL INSURED

The following is added to Paragraph c. in A.1., **Who Is An Insured**, of SECTION II – LIABILITY COVERAGE:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and

executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

#### C. EMPLOYEE HIRED AUTO

1. The following is added to Paragraph A.1., **Who Is An Insured**, of SECTION II – LIABILITY COVERAGE:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

## COMMERCIAL AUTO

### 2. The following replaces Paragraph b. in B.5., Other Insurance, of SECTION IV – BUSINESS AUTO CONDITIONS:

#### b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

#### D. EMPLOYEES AS INSURED

The following is added to Paragraph A.1., Who Is An Insured, of SECTION II – LIABILITY COVERAGE:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

#### E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

##### 1. The following replaces Paragraph A.2.a.(2), of SECTION II – LIABILITY COVERAGE:

- (2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

##### 2. The following replaces Paragraph A.2.a.(4), of SECTION II – LIABILITY COVERAGE:

- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

#### F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS

The following replaces Subparagraph (5) in Paragraph B.7., Policy Period, Coverage Territory, of SECTION IV – BUSINESS AUTO CONDITIONS:

- (5) Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or

within such country or jurisdiction, for Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

#### (a) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

- (i) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

- (ii) Neither you nor any other involved "insured" will make any settlement without our consent.

- (iii) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

- (iv) We will reimburse the "insured" for sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, that the "insured" pays with our consent, but only up to the limit described in Paragraph C., Limit Of Insurance, of SECTION II – LIABILITY COVERAGE.

- (v) We will reimburse the "insured" for the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph C., Limit Of Insurance, of SECTION II – LIABILITY COVERAGE, and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

- (b) This insurance is excess over any valid and collectible other insurance available

to the "insured" whether primary, excess contingent or on any other basis.

- (c) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.

You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.

- (d) It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

**G. WAIVER OF DEDUCTIBLE – GLASS**

The following is added to Paragraph D., **Deductible, of SECTION III – PHYSICAL DAMAGE COVERAGE:**

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

**H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT**

The following replaces the last sentence of Paragraph A.4.b., **Loss Of Use Expenses, of SECTION III – PHYSICAL DAMAGE COVERAGE:**

However, the most we will pay for any expenses for loss of use is \$65 per day, to a maximum of \$750 for any one "accident".

**I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT**

The following replaces the first sentence in Paragraph A.4.a., **Transportation Expenses, of SECTION III – PHYSICAL DAMAGE COVERAGE:**

We will pay up to \$50 per day to a maximum of \$1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

**J. PERSONAL EFFECTS**

The following is added to Paragraph A.4., **Coverage Extensions, of SECTION III – PHYSICAL DAMAGE COVERAGE:**

**Personal Effects**

We will pay up to \$400 for "loss" to wearing apparel and other personal effects which are:

- (1) Owned by an "insured"; and
- (2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Effects coverage.

**K. AIRBAGS**

The following is added to Paragraph B.3., **Exclusions, of SECTION III – PHYSICAL DAMAGE COVERAGE:**

Exclusion 3.a. does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs A.1.b. and A.1.c., but only:

- a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;
- b. The airbags are not covered under any warranty; and
- c. The airbags were not intentionally inflated.

We will pay up to a maximum of \$1,000 for any one "loss".

**L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS**

The following is added to Paragraph A.2.a., of **SECTION IV – BUSINESS AUTO CONDITIONS:**

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

- (a) You (if you are an individual);
- (b) A partner (if you are a partnership);
- (c) A member (if you are a limited liability company);
- (d) An executive officer, director or insurance manager (if you are a corporation or other organization); or
- (e) Any "employee" authorized by you to give notice of the "accident" or "loss".



COMMERCIAL AUTO

**M. BLANKET WAIVER OF SUBROGATION**

The following replaces Paragraph A.5., Transfer Of Rights Of Recovery Against Others To Us, of SECTION IV - BUSINESS AUTO CONDITIONS:

**5. Transfer Of Rights Of Recovery Against Others To Us**

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by

such contract. The waiver applies only to the person or organization designated in such contract.

**N. UNINTENTIONAL ERRORS OR OMISSIONS**

The following is added to Paragraph B.2., Concealment, Misrepresentation, Or Fraud, of SECTION IV - BUSINESS AUTO CONDITIONS:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**BUSINESS AUTO EXTENSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**GENERAL DESCRIPTION OF COVERAGE** – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- A. BROAD FORM NAMED INSURED
- B. BLANKET ADDITIONAL INSURED
- C. EMPLOYEE HIRED AUTO
- D. EMPLOYEES AS INSURED
- E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS
- F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS
- G. WAIVER OF DEDUCTIBLE – GLASS
- H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT
- I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT
- J. PERSONAL EFFECTS
- K. AIRBAGS
- L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS
- M. BLANKET WAIVER OF SUBROGATION
- N. UNINTENTIONAL ERRORS OR OMISSIONS

**PROVISIONS**

**A. BROAD FORM NAMED INSURED**

The following is added to Paragraph A.1., **Who Is An Insured**, of SECTION II – LIABILITY COVERAGE:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

**B. BLANKET ADDITIONAL INSURED**

The following is added to Paragraph c. in A.1., **Who Is An Insured**, of SECTION II – LIABILITY COVERAGE:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and

executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

**C. EMPLOYEE HIRED AUTO**

1. The following is added to Paragraph A.1., **Who Is An Insured**, of SECTION II – LIABILITY COVERAGE:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.



COMMERCIAL AUTO

2. The following replaces Paragraph b. in B.5., Other Insurance, of SECTION IV – BUSINESS AUTO CONDITIONS:

b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

D. EMPLOYEES AS INSURED

The following is added to Paragraph A.1., Who Is An Insured, of SECTION II – LIABILITY COVERAGE:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

1. The following replaces Paragraph A.2.a.(2), of SECTION II – LIABILITY COVERAGE:

(2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

2. The following replaces Paragraph A.2.a.(4), of SECTION II – LIABILITY COVERAGE:

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS

The following replaces Subparagraph (5) in Paragraph B.7., Policy Period, Coverage Territory, of SECTION IV – BUSINESS AUTO CONDITIONS:

(5) Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or

within such country or jurisdiction, for Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

(a) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

(i) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

(ii) Neither you nor any other involved "insured" will make any settlement without our consent.

(iii) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

(iv) We will reimburse the "insured" for sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies; that the "insured" pays with our consent, but only up to the limit described in Paragraph C., Limit Of Insurance, of SECTION II – LIABILITY COVERAGE.

(v) We will reimburse the "insured" for the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph C., Limit Of Insurance, of SECTION II – LIABILITY COVERAGE, and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

(b) This insurance is excess over any valid and collectible other insurance available

to the "insured" whether primary, excess contingent or on any other basis.

- (c) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.

You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.

- (d) It is understood that we are not admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

**G. WAIVER OF DEDUCTIBLE – GLASS**

The following is added to Paragraph D., Deductible, of SECTION III – PHYSICAL DAMAGE COVERAGE:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

**H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT**

The following replaces the last sentence of Paragraph A.4.b., Loss Of Use Expenses, of SECTION III – PHYSICAL DAMAGE COVERAGE:

However, the most we will pay for any expenses for loss of use is \$65 per day, to a maximum of \$750 for any one "accident".

**I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT**

The following replaces the first sentence in Paragraph A.4.a., Transportation Expenses, of SECTION III – PHYSICAL DAMAGE COVERAGE:

We will pay up to \$50 per day to a maximum of \$1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

**J. PERSONAL EFFECTS**

The following is added to Paragraph A.4., Coverage Extensions, of SECTION III – PHYSICAL DAMAGE COVERAGE:

**Personal Effects**

We will pay up to \$400 for "loss" to wearing apparel and other personal effects which are:

- (1) Owned by an "insured"; and
- (2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Effects coverage.

**K. AIRBAGS**

The following is added to Paragraph B.3., Exclusions, of SECTION III – PHYSICAL DAMAGE COVERAGE:

Exclusion 3.a. does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs A.1.b. and A.1.c., but only:

- a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;
- b. The airbags are not covered under any warranty; and
- c. The airbags were not intentionally inflated.

We will pay up to a maximum of \$1,000 for any one "loss".

**L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS**

The following is added to Paragraph A.2.a., of SECTION IV – BUSINESS AUTO CONDITIONS:

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

- (a) You (if you are an individual);
- (b) A partner (if you are a partnership);
- (c) A member (if you are a limited liability company);
- (d) An executive officer, director or insurance manager (if you are a corporation or other organization); or
- (e) Any "employee" authorized by you to give notice of the "accident" or "loss".



COMMERCIAL AUTO

**M. BLANKET WAIVER OF SUBROGATION**

The following replaces Paragraph A.5., **Transfer Of Rights Of Recovery Against Others To Us**, of SECTION IV – BUSINESS AUTO CONDITIONS:

**5. Transfer Of Rights Of Recovery Against Others To Us**

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by

such contract. The waiver applies only to the person or organization designated in such contract.

**N. UNINTENTIONAL ERRORS OR OMISSIONS**

The following is added to Paragraph B.2., **Concealment, Misrepresentation, Or Fraud**, of SECTION IV – BUSINESS AUTO CONDITIONS:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

**TRAVELERS**  
ONE TOWER SQUARE  
HARTFORD, CT 06183

**WORKERS COMPENSATION  
AND  
EMPLOYERS LIABILITY POLICY**

**ENDORSEMENT WC 00 03 13 (00)-01**

**POLICY NUMBER: VTC2JUB5643B81A13**

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

**SCHEDULE**

**DESIGNATED PERSON:**

**DESIGNATED ORGANIZATION:**

**ANY PERSON OR ORGANIZATION FOR WHICH THE INSURED HAS AGREED  
BY WRITTEN CONTRACT EXECUTED PRIOR TO LOSS TO FURNISH THIS  
WAIVER.**

**DATE OF ISSUE: 8/31/2013 ST ASSIGN:**

POLICY NUMBER: VTC2KCO5643B790IND13

ISSUE DATE: 8/31/13

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**DESIGNATED ENTITY – NOTICE OF  
CANCELLATION/NONRENEWAL PROVIDED BY US**

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS INCLUDED IN THIS POLICY

SCHEDULE

**CANCELLATION:**

Number of Days Notice of Cancellation: 60

**NONRENEWAL:**

Number of Days Notice of Nonrenewal: 60

**PERSON OR  
ORGANIZATION:**

Any person or organization that is a certificate holder of a certificate of insurance issued for you that:

1. Refers to this policy and states that notice of cancellation or nonrenewal of this policy will be provided to that person or organization, and;
2. Is in effect, and is on file at the office of your agent or broker for this policy, at the time of the cancellation or nonrenewal.

**ADDRESS:**

The address shown for that person or organization in that certificate of insurance.

**PROVISIONS:**

- A. If we cancel this policy for any statutorily permitted reason other than nonpayment of premium, and a number of days is shown for cancellation in the schedule above, we will mail notice of cancellation to the person or organization shown in the schedule above. We will mail such notice to the address shown in the schedule above at least the number of days shown for cancellation in the schedule above before the effective date of cancellation.
- B. If we decide to not renew this policy for any statutorily permitted reason, and a number of days is shown for nonrenewal in the schedule above, we will mail notice of the nonrenewal to the person or organization shown in the schedule above. We will mail such notice to the address shown in the schedule above at least the number of days shown for nonrenewal in the schedule above before the expiration date.

POLICY NUMBER: VTC2JCAP5643B808TIL13

ISSUE DATE: 8/31/13

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**DESIGNATED ENTITY – NOTICE OF  
CANCELLATION/NONRENEWAL PROVIDED BY US**

This endorsement modifies insurance provided under the following:  
ALL COVERAGE PARTS INCLUDED IN THIS POLICY

SCHEDULE

**CANCELLATION:**

Number of Days Notice of Cancellation: 60

**NONRENEWAL:**

Number of Days Notice of Nonrenewal: 60

**PERSON OR  
ORGANIZATION:  
CITY OF KENNER**

**ADDRESS:**

**ATTN: PRAT P REDDY  
1905 24TH STREET  
KENNER LA 70062**

**PROVISIONS:**

- A.** If we cancel this policy for any statutorily permitted reason other than nonpayment of premium, and a number of days is shown for cancellation in the schedule above, we will mail notice of cancellation to the person or organization shown in the schedule above. We will mail such notice to the address shown in the schedule above at least the number of days shown for cancellation in the schedule above before the effective date of cancellation.
- B.** If we decide to not renew this policy for any statutorily permitted reason, and a number of days is shown for nonrenewal in the schedule above, we will mail notice of the nonrenewal to the person or organization shown in the schedule above. We will mail such notice to the address shown in the schedule above at least the number of days shown for nonrenewal in the schedule above before the expiration date.



WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY ENDORSEMENT WC 99 06 11 (A)

POLICY NUMBER: VTC2JUB5643B81A13

NOTICE OF CANCELLATION

Except for non-payment of premium by you, we agree that no cancellation or limitation of this policy shall become effective until the number of day's written notice specified in item 2 of the Schedule has been mailed to you and to the person or organization designated in item 1 of the Schedule at the address indicated.

SCHEDULE

- 1. Name: ANY PERSON OR ORGANIZATION THAT IS A CERTIFICATE HOLDER OF A CERTIFICATE OF INSURANCE ISSUED FOR YOU THAT:
A) REFERS TO THIS POLICY AND STATES THAT NOTICE OF CANCELLATION OF THIS POLICY WILL BE PROVIDED TO THAT PERSON OR ORGANIZATION; AND
B) IS IN EFFECT, AND IS ON FILE AT THE OFFICE OF YOUR AGENT OR BROKER FOR THIS POLICY, AT THE TIME OF THE CANCELLATION.

Address: SUCH NOTICE WILL BE MAILED TO THE ADDRESS SHOWN FOR THAT PERSON OR ORGANIZATION IN THAT CERTIFICATE OF INSURANCE.

2. Number of Days Written Notice: 60 Additional Days

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective Insured Insurance Company Policy No. Countersigned by Endorsement No. Premium \$

DATE OF ISSUE: 8/31/2013

ST ASSIGN:

Page 1 of 1