

**SPECIAL JOINT MEETING
CITY OF MORRO BAY AND CAYUCOS SANITARY DISTRICT
WASTEWATER TREATMENT PLANT
(UNDER JOINT POWERS AGREEMENT)**

Cayucos Sanitary District Board of Directors:

Robert Enns, President
Bud McHale, Vice-President
Harold Fones, Director
Shirley Lyon, Director
Michael Foster, Director

City of Morro Bay City Council:

Janice Peters, Mayor
Carla Borchard, Vice-Mayor
Noah Smukler, Councilmember
Betty Winholtz, Councilmember
Rick Grantham, Councilmember

AGENDA

MEETING DATE:

1 PM Thursday, July 15, 2010

HOSTED BY:

City of Morro Bay

MEETING PLACE:

Multi-Purpose Room, Community Center
1001 Kennedy Way
Morro Bay, CA 93442

REMOTE LOCATION PARTICIPANT

Carla Borchard, Council Member
Pueblo Bonito Los Cabos, Playa El Medano, SN
Cabo San Lucas, B.C.S. Mexico, 23410

CALL TO ORDER AND ROLL CALL

PUBLIC COMMENT PERIOD

Members of the audience wishing to address the governing bodies on Morro Bay-Cayucos Wastewater Treatment Plant (WWTP) business matters may do so at this time. By the conditions of the Brown Act, the governing bodies may not discuss issues not on the agenda, but may set items for future agendas. When recognized by the Chair, please come forward to the podium and state your name and address for the record. Comments should be limited to three minutes.

B. OLD BUSINESS

1. Consideration to Award Contract for Project Management Services for the WWTP Upgrade Project – Recommend award contract – Staff report will be available 1pm Wednesday July 14, 2010
2. Schedule Next Joint Meeting and Agenda Items

ADJOURNMENT - (Next meeting will be hosted by the Cayucos Sanitary District)

Copies of staff reports and other public documentation relating to each item of business for this meeting are available for inspection at Morro Bay City Hall at 595 Harbor Street and the Cayucos Sanitary District at 200 Ash Ave. A copy of this packet is available from the City of Morro Bay for copying at Mills Copy Center and from the Cayucos Sanitary District for a copy and duplication charge. Any person having questions regarding any agenda items may contact Bruce Keogh, Wastewater Division Manager (City of Morro Bay) at 772-6261 or Bill Callahan, District Manager (Cayucos Sanitary District) at 995-3290.

Materials related to an item on this Agenda submitted to the Morro Bay/Cayucos Wastewater Treatment Plant Joint Powers Authority after distribution of the agenda packet are available for public inspection at; Public Services Office at 955 Shasta Avenue, Morro Bay, CA 93442; Morro Bay Library at 625 Harbor Street, Morro Bay, Ca 93442; Mills/ASAP Reprographics at 495 Morro Bay Boulevard, Morro Bay, CA 93442 during normal business hours.

STAFF REPORT

**MORRO BAY-CAYUCOS J.P.A.
WASTEWATER TREATMENT PLANT**

To: Honorable Mayor and City Council, City of Morro Bay
Honorable President and Board of Directors, Cayucos Sanitary District

From: Bruce Keogh, Wastewater Division Manager

Date: July 14, 2010

Subject:

Consideration to Award Contract for Project Management (PM) Services for the Upgrade of the Morro Bay-Cayucos Wastewater Treatment Plant

Recommendation:

This Department recommends that the Council and District Board award the project contract to Mr. Dennis Delzeit, for a not to exceed amount of \$250,000.

Fiscal Impact:

The fiscal impact is based on the negotiated contract of a not to exceed amount of \$250,000. These funds will need to be allocated in the FY2010-2011 wwtp budget. It should be noted that the total upgrade project cost do include a 35% engineering, admin, legal contingency for funding PM services. PM services represents long term facility capital planning and development, therefore staff is recommending that the project cost be paid based on capacity rights of the City and District rather than pro rata share of flow.

Summary:

The award of contract for PM is the final step in the process for hiring a PM to coordinate the upgrade project. The PM will assist City and District staff in coordinating the design process, the environmental review and permitting process, and the SRF Loan process (project financing). All three of these tasks are currently underway. Each of these tasks are both large and complicated endeavors requiring a great deal of effort and energy to coordinate. These are key tasks in the upgrade process that will require the type of coordinated effort that a dedicated PM can facilitate. The PM will also coordinate and manage other upgrade related tasks as required to successfully complete the upgrade project

Background:

At the May 13, 2010 JPA meeting the Council and District approved an RFP for Project Management services for the WWTP upgrade process. The RFP was public noticed on May 18 and closed on June 9. The public notice for the RFP was emailed to a list of consulting firms compiled by City and District staff

and was also published in the Tribune. Four proposals were received from the following firms: Harris & Associates, Vanir, Dudek, and Dennis Delzeit teaming with the Wallace Group (Delzeit).

It is important to note that the contract award is based on professional qualifications and not the low bid, per the California Government Code (CGC). Chapter 10 of the CGC, Sections 4526-4529, mandates local agencies throughout California to select applicable professional consultant services on the basis of demonstrated competence and professional qualifications.

Discussion:

Proposal Evaluation:

The four proposals received were reviewed by an evaluation committee composed of City and District staff. The proposals were reviewed, evaluated, and ranked based on the following combination of criteria: the written proposal criteria contained in the Special Terms and Conditions of the RFP, the established ranking criteria contained in the Special Terms and Conditions, Evaluation and Selection Process, and the results of reference and background checks. The major evaluation criteria contained in the RFP included approach to work, relevant project experience, and project team capabilities. The evaluation committee unanimously selected two firms to interview, Harris & Associates and Delzeit. Interviews with these two firms were held on June 30 with members of Morro Bay City Council attending.

Following the evaluation and interview process, the review committee determined that the proposal submitted by Delzeit represented the best overall combination of factors and value for this project and was therefore ranked the highest. Following evaluation of the proposals, staff and the consultant discussed and refined the scope of work, and negotiated a Time and Materials contract. This is the contract before the Council and District Board for award. A copy of the proposal submitted by Delzeit is attached. The review committee ranked the Delzeit proposal highest for the following reasons:

- The review committee believes that Delzeit brought the best project management team with their proposal. Mr. Delzeit will serve in the role of Project Manager. The Wallace Group will provide engineering support services as required. Both have extensive engineering experience with water and wastewater related projects.
- Mr. Delzeit brings relevant wwtp upgrade project experience through his involvement in successfully managing a wwtp upgrade project at Pismo Beach using a similar technology in a coastal community.
- Mr. Delzeit and the Wallace Group both have extensive experience with large complex projects within the Coastal Zone.
- The Wallace Group is familiar and up to speed on the flood related issues due to their previous work on the environmental review process.
- Mr. Delzeit brings an understanding of the public process through his experiences as the Director of Public Works in Pismo Beach. He has extensive experience working with Council and District Boards on controversial projects.

Scope of Work

Following notification of Delzeit that they had the highest ranked proposal, City and District staff met with Delzeit to refine the scope of work and negotiate a contract for PM services. A copy of the contract is attached to the staff report. At the time this report was written, the contract language had not been finalized, and staff is recommending that the Council and District Board award the contract subject to approval by the attorneys for the City and District.

The scope of work is based on the scope of work outlined in the RFP for PM Services. The scope outlines a myriad of tasks required to successfully complete the project on schedule. A copy of the Scope of

Work (pages E-1 to E-4 of the proposal), a spreadsheet detailing the level of effort and engineering fee, and an hourly rate schedule (pages f-1&2 of the proposal) are attached to this staff report.

The scope for PM services includes advising and representing the City and District, management and coordination of project activities, environmental review and permitting, preparation and support for SRF loan application and funding process, public outreach and education, and other tasks as required to keep the project moving forward.

It is important to note that at the time the RFP was public noticed, that no alternative project analyses was proposed. With PERC Water providing a CDR for review and analysis, the scope of work for the PM may need to be augmented to include assisting with this task.

Budget:

At this time, staff is recommending that the District and Council award a contract for an amount not to exceed \$250,000 on a time and materials basis. Delzeit has provided an estimate for the major tasks outlined in the scope of work, a copy of the scope of work, and estimated levels of effort which are attached.

Delzeit will be providing monthly reports documenting expenses to date summarized by tasks, and Delzeit will bring forward recommendations on modifications to the PM budget as the project progresses. The PM scope of services is a broad scope of services that will evolve and potentially change as the project progresses. Examples of potential changes that could influence the level of effort include the PERC Water alternatives analysis, significant design review services and modifications, and appeal of the local CDP to the Coastal Commission.

Time Schedule

Awarding a contract for PM services to Delzeit will provide the City and District with additional resources and expertise to keep the upgrade project moving forward. With dedicated effort the project still has the potential to be completed ahead of the 8-Year Time Schedule (the Schedule) for upgrading the treatment plant.

Conclusion:

This Department recommends that the Council and District Board award the project contract to Mr. Dennis Delzeit, for a not to exceed amount of \$250,000.

R. Dennis Delzeit, P.E.

California Professional Civil Engineer 22340

974 Camino Caballo
Nipomo, California 93444
Phone: 805-441-1863
Fax: 805-929-2028
E-mail: Delzeit@charter.net

(Via e mail)

Date: July 7, 2010

To: Bruce Keogh, Morro Bay Wastewater System Superintendent
Bill Callaghan, Cayucos Sanitary District General Manager

From: Dennis Delzeit

Subject: Project Management Fee Estimate

In follow up to our meeting yesterday, the following is the Project Management fee estimate. This estimate is based upon the assumptions that the assignment will begin in August 2010 and conclude in February 2012; appeals are not included in the estimate and will be added to the work scope and fee estimate if appeals are filed. We agreed that the work scope for this assignment is very difficult to estimate and a contract amount of \$250,000 will be established with the understanding that the budget will be monitored and adjusted unforeseen events occur as the project progresses.

Estimate for Dennis Delzeit:

1. 24 JPA Meetings at 3 hours each	\$12,960
2. 24 TAC Meetings at 3 hours each	\$12,960
3. 3 EIR Meetings at 3 hours each	\$ 1,620
4. 4 Coastal Permit/CUP Meetings at 4 hours each	\$ 2,880
5. 19 Monthly Reports at 3 hours each	\$10,260
6. Weekly Staff Coordination at 3 hours each	\$44,425
7. Weekly Consultant Coordination at 3 hours each	\$44,425
8. Weekly Public Communication at 2 hours each	\$29,617
9. CM RFP preparation and administration, 20 hours	\$ 3,600
Total	\$162,747

Wallace Group:

Per the attached spread sheet	\$87,432
Subconsultant Administrative Services (15%)	\$13,114

Total Fee Estimate: \$263,293

**Estimated Cost Breakdown of Total Fee
Engineering Services for Sewer System Master Plan Update
MBCSD WWTP PROJECT MANAGEMENT**

Billing Rate	176	166	154	154	137	79
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Task No.	Description	Work-hours by Classification							Fees		
		Asst. PM/ Principal	Principal Engr	Dir. Water Rsc.	Senior Planner	Engineer	Clerical	Total Hrs.	Labor	Reimbur- sables	Total Cost
TASK 1. PROJECT MANAGEMENT AND MEETINGS											
1.0	Assistant Project Manager	60	0	0	0	0	16	76	\$11,824	\$0	\$11,824
1.1	JPA Meetings	16	0	16	0	0	4	36	\$5,596	\$0	\$5,596
1.2	MBCSD Progress Meetings	4	0	16	8	0	2	30	\$4,558	\$0	\$4,558
1.3	City Council Meetings	0	0	0	10	0	2	12	\$1,698	\$0	\$1,698
1.4	Planning Commission Meetings	0	0	4	20	0	8	32	\$4,328	\$0	\$4,328
SUBTOTAL TASK 1										\$28,004	
TASK 2. SRF COORDINATION AND SUPPORT											
2.0	SRF Support	0	40	16	0	8	2	66	\$10,358	\$0	\$10,358
2.1	Reserved	0	0	0	0	0	0	0	\$0	\$0	\$0
SUBTOTAL TASK 2										\$10,358	
TASK 3. CDP/CUP AND ENVIRONMENTAL PERMIT COORDINATION											
3.0	CDP/CUP	8	0	0	60	0	8	76	\$11,280	\$0	\$11,280
3.1	Environmental Permit Coordination	0	0	8	60	0	0	68	\$10,472	\$0	\$10,472
SUBTOTAL TASK 3										\$21,752	
TASK 4. DESIGN REVIEW AND PARTICIPATION											
4.0	Design Submittal Review and Comment	0	8	24	0	0	2	34	\$5,182	\$0	\$5,182
	Value Engineering/VE Consultant Sel.	0	16	16	0	0	2	34	\$5,278	\$0	\$5,278
	Assist Contract and Invoice Reviews	0	0	24	0	0	2	26	\$3,854	\$0	\$3,854
	Assist Schedule Preparation	0	0	40	0	0	8	48	\$6,792	\$0	\$6,792
	Assist Monthly Status Updates	0	0	20	0	0	8	28	\$3,712	\$0	\$3,712
		0	0	0	0	0	0	0	\$0	\$0	\$0
		0	0	0	0	0	0	0	\$0	\$0	\$0
SUBTOTAL TASK 4										\$24,818	
TASK 5. REIMBURSABLES											
5.0	Reimbursables	0	0	0	0	0	0	0	\$0	\$2,500	\$2,500
SUBTOTAL TASK 5										\$2,500	
TOTAL LABOR HOURS		88	64	184	158	8	64	566			
TOTAL ESTIMATED FEES										\$87,432	



Submitted by
R. Dennis Delzeit

in Association with
WALLACE GROUP

City of Morro Bay & Cayucos Sanitary District

Project Management Services

Waste Water Treatment Plant Upgrade Project

June 9, 2010

R. Dennis Delzeit, P.E.

California Professional Civil Engineer 22340

**974 Camino Caballo
Nipomo, California 93444
Phone: 805-441-1863
Fax: 805-929-2028
E-mail: Delzeit@charter.net**

June 9, 2010

Mr. Bruce Keogh, Wastewater Division Manager
City of Morro Bay, Department of Public Services
955 Shasta Avenue
Morro Bay, CA 93442

Subject: Proposal for Project Management Services
City of Morro Bay-Cayucos Sanitary District (MBCSD) Wastewater Treatment Plant Upgrade

Dear Mr. Keogh and MBCSD Staff,

The enclosed submittal offers the full range of services needed for successful management of the Wastewater Treatment Plant Upgrade. I am looking forward to resuming my work with you, the MBCSD staff, and the consultant team on this interesting and challenging project.

I will be your Project Manager and I have asked John Wallace (Wallace Group, San Luis Obispo) to serve as the Assistant Project Manager. John and his firm will provide various support services during the course of the project relating to processing of the Coastal Development Permit, the State Revolving Fund loan, environmental issues, preparation of schedules, spreadsheets, assistance with grant writing, and similar tasks.

Our proposal team offers the following unique value:

- John and I both have extensive, relevant management expertise which we have developed through working on projects just like yours, many of which we worked on together.
- Our professional experience with public agencies in varying capacities enables us to exercise the finesse that is necessary to deal with sensitive public and political issues.
- We are located in close proximity to the project which means we are available to be on-site easily which enhances our ability to meet the needs of the project in a timely fashion.

Thank you for this opportunity to participate with you on this important assignment. We are committed to delivering a quality project for under \$28 million with full compliance by March 31, 2014.

Sincerely,

R. Dennis Delzeit, P.E.

SCOPE OF SERVICES

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APPENDICES

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SCOPE OF SERVICES

BACKGROUND

In response to the City of Morro Bay and the Cayucos Sanitary District (MBCSD)'s Request for Proposals, the following is the Scope of Work that the Project Management Team of Dennis Delzeit, Consulting Engineer and John Wallace of Wallace Group propose to accomplish. In addition, our project team intends to augment the required Scope to provide not only highly effective project management services but to assist the MBCSD JPA with other tasks that will enhance the delivery of the MBCSD's project on time and within budget.

The City of Morro Bay and the Cayucos Sanitary District have presented a specific Scope of Work and have asked that the consultant respond to each task. Following, we have outlined our approach to the project in six major sections:

1. Approach to Work
2. Relevant Project Experience
3. Project Team
4. Responsiveness to the RFP
5. Ability to Conform to City and District Contract
6. Submittal Forms

In addition, a detailed response to the Potential Scope Summary for the following tasks is found in Appendix E.

- Advise and represent the City and District in the replacement of their treatment plant
- Provide Project Management
- Coordinate project activities and consultants
- Assist and coordinate in the preparation of environmental and permit documents
- Assist in the preparation of the SRF Application and SRF loan process
- Assist in and coordinate activities associated with the design process
- Assist the City and District in hiring consultants for Value Engineering, Construction Management Services, and other services as required, may include the development and evaluation of RFPs and RFQs
- Public outreach and education concerning the upgrade project
- Schedule review
- Budget and financial review

SECTION 1 – APPROACH TO WORK

Project Approach

- **Accomplish the goal:** As the Project Manager, Dennis Delzeit is committed to assisting MBCSD to meet their stated goal of delivering a quality project for under \$28 million with full compliance by March 31, 2014. Coordinating and managing the efforts of a team of consultants along with the need to process permits and keep all the agencies informed is a complex task. The project management team of Dennis and John Wallace (assistant Project Manager) has significant long-term success in this process.
- **Management Style:** Dennis' project management style is similar to a sports team coach. Top performance is expected and this message is communicated to the players on the team. Not every player plays the same position but all players must meet their responsibility for the team to succeed and for each of the players on the team to enjoy personal success.

General Work Plan

One of the best methods to achieve the goals of the project is focusing on planning and scheduling of the

work. Dennis will prepare and maintain a project schedule, critical path tasks will be identified, and the schedule will be updated and distributed monthly. However, Dennis will monitor progress on a daily and weekly basis.

Each of the following are preliminarily identified as critical project milestones:

- Percentage completion of the design (consultant, Montgomery Watson Harza (MWH))
- Preparation of Environmental studies, documents and filings (consultant, ESA and sub-consultants)
- Preparation of application and processing of the Conditional Use Permit. (City)
- Preparation and processing of the Coastal Development Permit (MBCSD and California Coastal Commission (CCC))
- Preparation and submittal of the State Revolving Fund Loan application and Supporting Documents (Wallace Group under the direction of Dennis Delzeit)
- Development and approval of RFQs and subsequent hiring of the Value Engineering Consultant (Project Team and MBCSD)
- Development and approval of RFQs and subsequent hiring of the Construction Management Consultant (Project Team and MBCSD)
- Public meetings (City Council, CSD Board and Coastal Commission meetings)

Project Management

The following are important elements that will require skillful handling by the project management team:

- Communication with the City Council, District Board and the Public
- Schedule Review
- Budget and Financial Review
- Monthly Progress Reports
- Interaction with and leadership of the Project Team

Methodology of Managing Work Tasks and Use of City and District Staff

- Efficient and timely communication from Dennis (via phone, email and regularly scheduled meetings, as deemed appropriate for the circumstances) will be the primary method used to manage the work tasks of the various consultants and to engage the City and District staff in the project.
- The consultants will be managed by ensuring they perform to expectations and requirements of their contractual work scopes, budgets and schedules. Dennis will closely monitor the schedules and project consultants will be encouraged to meet the deadlines that are established in their contracts. Due to the importance of the schedule, time extensions will be granted only through contract amendments, and only if such amendments do not jeopardize the March 31, 2014 completion schedule of this project.
- Dennis will strive to minimize the use of City and District staff. However, it is recognized that City and District staff have certain information that is needed in the progress of the work. It is anticipated that brief, regularly scheduled meetings with staff will be conducted by Dennis as necessary.

Project Progress and Quality Control

- Project progress will be maintained by utilizing the critical path project schedule and requiring consultants to report on and adhere to their contract requirements.
- Each consultant will be expected to identify the quality assurance procedures that are followed with each “deliverable” to the project. Each consultant Project Manager will be expected to sign and date each deliverable to demonstrate that internal quality assurance measures have been conducted. Dennis will provide oversight and question submittals if he detects potential quality assurance issues.

Contingencies

This project is complicated and it is realistic to assume that unanticipated changes will occur.

- When an unanticipated event occurs, it is Dennis’ responsibility to communicate this to the City and

the District. In communicating with the staff, Dennis will state the problem, the potential solutions and the estimated budget or scheduling repercussions.

- In anticipation of potential contingencies, we would suggest that 10–15% of “float” be inserted into the schedule and a similar amount into the project budget. However, it is understood that the goal of completing the project for under \$28 million and achieving full regulatory compliance by March 31, 2014 is solid and inflexible.

Managing Scope of Services, Schedule and Budget

- The scope of services, schedule and budget for the various consultants on the team are carefully negotiated and contained in the contracts. Each consultant is expected to meet these requirements unless a written contract amendment is issued. However, the overall project goals, as described above, will not be compromised unless a significant unforeseen event occurs and the City Council and CSD Board agree to a revised project goal.

Experience Interacting with City Councils, Boards of Directors, Staff and the Public

- Dennis and John have been in professional service as public works managers and engineers for over 40 years each. Both individuals have private and public experience and have served as City Engineers, Public Works Directors, District Engineers and General Managers. Please refer to the following section for further information.

SECTION 2 – RELEVANT PROJECT EXPERIENCE

Dennis Delzeit P.E., Project Manager

- Dennis’ experience with public works engineering and management began over 40 years ago, in 1969 when he was on the design team for a consulting engineer for the City of Ventura’s wastewater treatment plant upgrade; he subsequently was the full time Resident Engineer as an employee for the City of Thousand Oaks on their wastewater treatment plant upgrade; he was Public Works Director/City Engineer for the City of Santa Paula where he was responsible for the City’s award winning wastewater treatment plant; he was a private municipal consultant with management responsibility for a wide variety of projects.
- Dennis also served as the Public Works Director/City Engineer for Pismo Beach where he was responsible for managing the upgrade of the City’s wastewater treatment plant. This project was funded with an SRF loan and was completed on time and under budget; responsibilities included RWQCB renewal of the WDR’s; securing all permits including the Coastal Development Permit, and environmental (MND) processing. This project was highly controversial and Dennis was able to mitigate the public and political issues. Design issues included such matters as selection of the appropriate treatment process (an oxidation ditch type process, the same as selected for the MBCSD upgrade), several revised cost estimates, liquefaction, and use of the baseball field as a construction staging area. During construction the contractor threatened claims and a lawsuit. Dennis convinced the City and the Contractor to keep the attorneys out of the discussions and facilitated resolving matters expediently out of court. (It is important to note that Dennis worked directly with John and Wallace Group, construction manager and consultant, on the plant. This is just one of many examples of their previous successful working relationship.)
- Dennis’ current experience includes responsibilities for the upgrade of the wastewater treatment plant in Guadalupe; peer review of the Nipomo Community Service District’s conceptual plan for their wastewater treatment plant upgrade; and consultation with the City of San Luis Obispo regarding the lawsuit they are defending on their Water Reuse Project.

As with the Morro Bay project, wastewater treatment plant projects are frequently controversial. In the recent Pismo Beach project, Dennis has found that resolution of conflicts requires careful communication

(written and verbal), being a thoughtful listener and being sure to examine all reasonable options. Be factual, do not allow the issues to become personal, and persevere.

John L. Wallace, P.E., Assistant Project Manager

- John’s experience spans many years of both public and private work. Even beginning with part time work in college, he worked as a wastewater treatment plant operator for the City of Gainesville, Florida’s 3.0 MGD treatment plant. In another summer assignment, he was a laboratory technician for the County Los Angeles’ 290 MGD wastewater treatment plant in Harbor City, California.
- In his early career in public works, John became the Section Head of Management Systems Division, Los Angeles County Flood Control District implementing project and program management for the District’s multimillion dollar bond issue programs through design and construction. He personally managed many project teams while providing program management information that the District and other agencies needed to control budget and schedules for approximately 300 active projects. The value of projects under John’s direct management amounted to over \$35 million.
- In his role as Office Engineer with the County of San Luis Obispo’s County Engineering Department, John represented the Department on projects with other departments, the Board of Supervisors, Planning Commission and outside regulatory agencies, including the Regional Water Quality Control Board and the Coastal Commission.
- Forming John L. Wallace & Associates in 1984, John has served and continues to serve as District Administrator, District Engineer, Director of Public Works and City Engineer for various agencies. In addition, he manages large multidisciplinary projects for both public and private clients.
- As District Administrator and District Engineer for the South San Luis Obispo County Sanitation District, John has managed, through design and construction, three multimillion dollar expansion projects. A fourth set of projects involves the \$9 million Long Range Plan and is being processed for State loan (SRF) funding.

John’s philosophy of project management is similar to Dennis’ and together, as a team, they managed the construction of the City of Pismo Beach’s recent \$14 million wastewater treatment plant expansion. These men have had a long and successful track record of working together to accomplish large, complex projects.

SECTION 3 – PROJECT TEAM

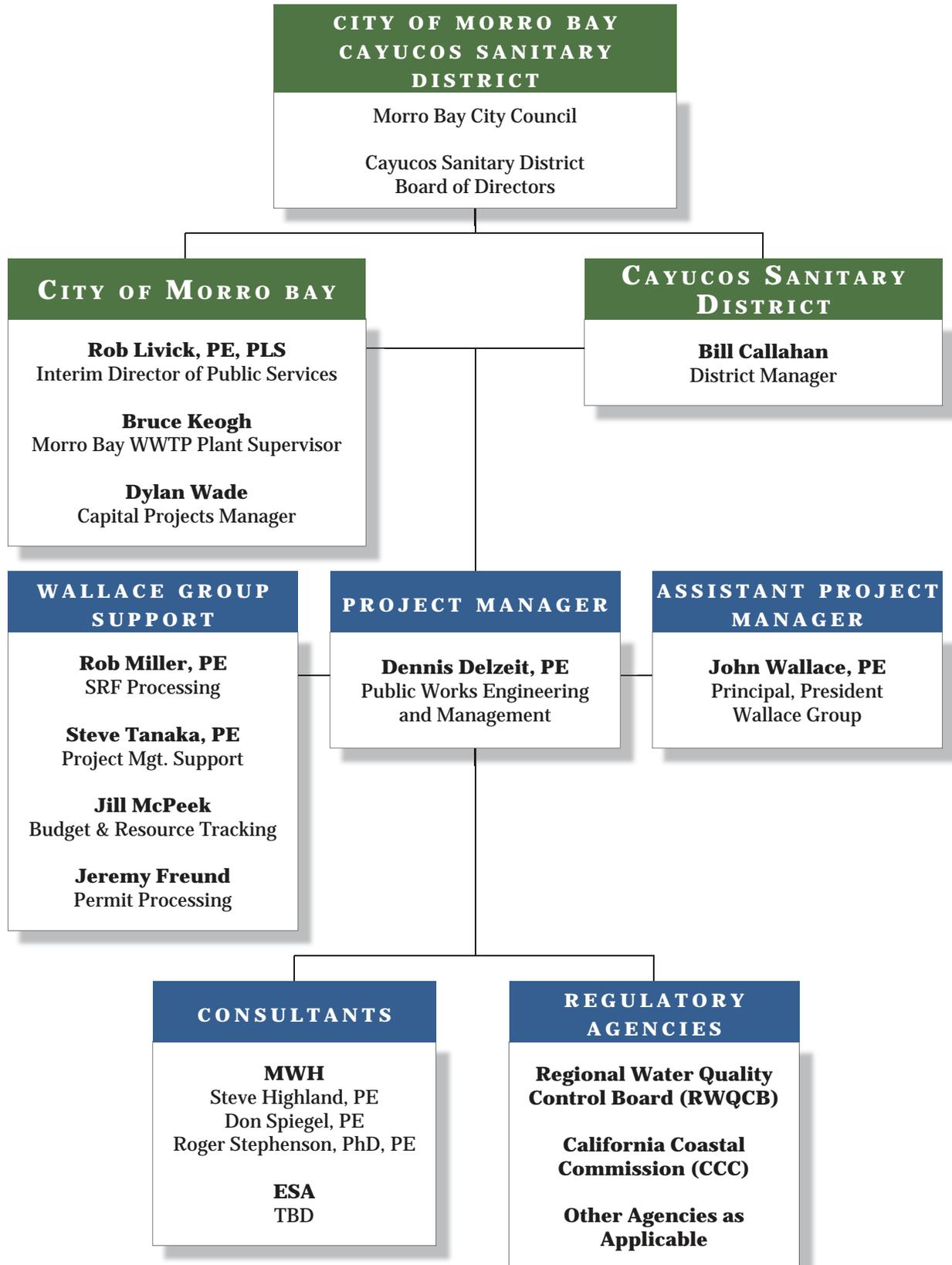
Shown on the following page, the proposed Organization Chart includes the key team members for this project.

Portion of Time that Key Staff Will be Available to Work on the Project

- Dennis Delzeit, Project Manager, is self-employed and has full control of his time. As such, he can exercise flexibility and be available for whatever time is needed for this project. John Wallace will fill in for Dennis if and when necessary. The time needed will vary from a few hours per week to full-time.
- John Wallace, Assistant Project Manager, is likewise available to work on projects that demand a sizeable amount of time. As Assistant Project Manager, John will have specific duties for his portion of the work but will also assist Dennis in carrying out his assignments by providing additional coverage or help when needed.

Major projects where key team members have worked together previously:

- Wastewater Master Plan, City of Pismo Beach
- Water Master Plan, City of Pismo Beach
- Shell Beach Force Main and Park/Cypress Trunk Sewer Upgrade, City of Pismo Beach
- CM, WWTP Upgrade, City of Pismo Beach
- City Wide Pavement Rehab., City of Pismo Beach
- Hermosa/Florin Sub-drain Construction, City of Pismo Beach



SECTION 4 – RESPONSIVENESS TO THE RFP

The word “ensure” is used in several places in the RFP. We wish to clarify that the word “ensure” is impractical to attain, since we do not have full control of third party consultants and permitting agencies. However, we will exercise strong management techniques to motivate consultants to comply with budgets, schedules and work scope contract responsibilities and we are committed to working closely with outside agencies to enhance delivery of the required permits. This proposal provides suggestions that will enhance the project, as highlighted in Appendix E, Detailed Scope of Services.

SECTION 5 – ABILITY TO CONFORM TO CITY AND DISTRICT CONTRACT

Our consultant team stands ready to enter into the contract quickly. Dennis Delzeit currently has a \$1 million policy for professional liability insurance. Since this is not a design or construction contract, exposure to liability should be moderate. Wallace Group, as a primary sub-consultant to Dennis Delzeit does have the required levels of insurance. If applicable, suggestions for contract language modifications will be forwarded to the City during consultant selection. Please see Appendix D for further comments.

SECTION 6 – SUBMITTAL FORMS

The following information can be found in the appropriate Appendix:

- A: Submittal Forms
 - Proposal Submittal Form – Sub-consultant Listing
 - References
 - Statement of Past Contract Disqualifications
- B: Certificate of Insurance
- C: Resumes
- D: Agreement of Services Review
- E: Detailed Scope of Services
- F: Hourly Rate Schedules

PROPOSAL SUBMITTAL FORM – SUBCONSULTANT LISTING

Describe briefly the work scope of each sub-consultant. Attach additional pages if required.

Sub-consultant

Company Name	Wallace Group
Contact Individual	John L. Wallace
Telephone & FAX number	805 544-4011 / 805 544-4294
Street Address	612 Clarion Court
City, State, Zip Code	San Luis Obispo, CA 93401
Description of services to be provided.	Assistant Project Manager SRF Loan Processing Permit Assistance Scheduling Financial and Budget Tracking

REFERENCES

R. Dennis Delzeit

Number of years engaged in providing the services included within the scope of the consultant services under the present business name: 1 Year, 9 Months.

Describe fully the last three contracts performed by your firm that demonstrate your ability to provide the services included with the scope of the consultant services. Attach additional pages if required. The City and District reserve the right to contact each of the references listed for additional information regarding your firm's qualifications.

Reference No. 1

Client's Name	City of Pismo Beach
Contact Individual	Kevin Rice, City Manager
Telephone & FAX number	805 773-7007 / 805 773-7006
Street Address	760 Mattie Road
City, State, Zip Code	Pismo Beach, CA 93449
Description of services provided including contract amount, when provided and project outcome	Public Works Director & City Engineer 1995–2008

Reference No. 2

Client's Name	City of Guadalupe
Contact Individual	Regan Candelario, City Administrator
Telephone & FAX number	805 343-1340 / 805 343-1871
Street Address	918 Guadalupe Street
City, State, Zip Code	Guadalupe, CA 93434
Description of services provided including contract amount, when provided and project outcome	Contract City Engineer +/- \$7,000 per month March 2009 to present

Reference No. 3

Client's Name	Nipomo CSD
Contact Individual	Peter Sevcik, District Engineer
Telephone & FAX number	805 929-1133 / 805 929-1932
Street Address	148 S. Wilson Street
City, State, Zip Code	Nipomo, CA 93444
Description of services provided including contract amount, when provided and project outcome	Prepare Operations Manuals \$14,800 Provided in 2009, project approved by the board.

REFERENCES

Wallace Group

Number of years engaged in providing the services included within the scope of the consultant services under the present business name: 6 Years as Wallace Group, 19 years as JLWA.

Describe fully the last three contracts performed by your firm that demonstrate your ability to provide the services included with the scope of the consultant services. Attach additional pages if required. The City and District reserve the right to contact each of the references listed for additional information regarding your firm's qualifications.

Reference No. 1

Client's Name	South San Luis Obispo County Sanitation District
Contact Individual	Tony Ferrara, Chairman
Telephone & FAX number	805 473-5404
Street Address	PO Box 550
City, State, Zip Code	Arroyo Grande, CA 93421
Description of services provided including contract amount, when provided and project outcome	SSLOCS District Administrator for 25 Years. Responsible for all aspects of Agency's wastewater facilities, including District finances and WWTP Upgrades to comply with NPDES Permit Requirements.

Reference No. 2

Client's Name	Heritage Ranch CSD
Contact Individual	John D'Ornellas, General Manager
Telephone & FAX number	805 227-6230 / 805 227-6237
Street Address	4870 Heritage Road
City, State, Zip Code	Paso Robles, CA
Description of services provided including contract amount, when provided and project outcome	District Engineer. Responsible for Engineering services related to District's wastewater treatment plant/collection system, water treatment plant/distribution and storage facilities, and other related work.

Reference No. 3

Client's Name	County of San Luis Obispo
Contact Individual	Paavo Ogren, Public Works Director
Telephone & FAX number	805 781-5291 / 805 781-1229
Street Address	County Government Center, Room 207
City, State, Zip Code	San Luis Obispo, CA 93408
Description of services provided including contract amount, when provided and project outcome	Consulting services related to 1.4 mgd SLO County WWTP project for community of Los Osos. Project services include providing project development assistance and SRF Loan processing, including the preparation of a comprehensive facilities plan that complies with new SRF requirements. The construction value of the wastewater treatment facility is approximately \$30 million.

STATEMENT OF PAST CONTRACT DISQUALIFICATIONS

R. Dennis Delzeit

The consultant shall state whether it or any of its officers or employees who have a proprietary interest in it, has ever been disqualified, removed, or otherwise prevented from proposing on, or completing a federal, state, or local government project because of the violation of law, a safety regulation, or for any other reason, including but not limited to financial difficulties, project delays, or disputes regarding work or product quality, and if so to explain the circumstances.

- **Do you have any disqualification as described in the above paragraph to declare?**

Yes No

- **If Yes, explain the circumstances.**

Executed on 6-8-10 at San Luis Obispo
under penalty of perjury of the laws of the State of California, that the foregoing is true and correct.

R. Dennis Delzeit

Signature of Authorized Consultant Representative

STATEMENT OF PAST CONTRACT DISQUALIFICATIONS

Wallace Group

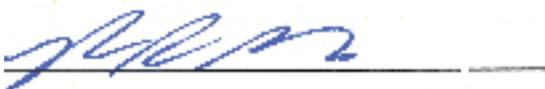
The consultant shall state whether it or any of its officers or employees who have a proprietary interest in it, has ever been disqualified, removed, or otherwise prevented from proposing on, or completing a federal, state, or local government project because of the violation of law, a safety regulation, or for any other reason, including but not limited to financial difficulties, project delays, or disputes regarding work or product quality, and if so to explain the circumstances.

- ***Do you have any disqualification as described in the above paragraph to declare?***

Yes No

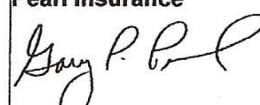
- ***If Yes, explain the circumstances.***

Executed on 6-8-10 at San Luis Obispo
under penalty of perjury of the laws of the State of California, that the foregoing is true and correct.



Signature of Authorized Consultant Representative

APPX B: INSURANCE

ACORD™ CERTIFICATE OF LIABILITY INSURANCE					DATE (MM/DD/YY) 02/24/2010	
PRODUCER Pearl Insurance 1200 East Glen Avenue Peoria Heights, IL 61614			THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. INSURER AFFORDING COVERAGE Lloyd's of London NAIC# AA-1122000			
INSURED R. Dennis Delzeit 974 Camino Caballo Nipomo, CA 93444-8852						
COVERAGES						
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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY COMMERCIAL GENERAL LIABILITY CLAIMS MADE OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PROJECT LOC				EACH OCCURRENCE \$ FIRE DAMAGE (Any one fire) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP \$ AGG	
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS				COMBINED SINGLE LIMIT \$ (Ea. Accident) BODILY INJURY \$ (Per person) BODILY INJURY \$ (Per accident) PROPERTY DAMAGE \$ (Per accident)	
	GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: \$ AGG \$	
	EXCESS LIABILITY OCCUR CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$	
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS OTHER E.L. EACH ACCIDENT \$ E.L. EA EMPLOYEE \$ E.L. DISEASE - POLICY \$ LIMIT	
X	Professional Liability Insurance Retro Date: 02/17/2010	2200001 - 00	02/17/2010	02/17/2011	\$1,000,000 each claim \$1,000,000 aggregate \$10,000 deductible	
DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS						
CERTIFICATE HOLDER		ADDITIONAL INSURED; INSURER LETTER:		CANCELLATION		
				SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL N/A DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Pearl Insurance 		

Commercial Certificate of Insurance



FARMERS

Agency
Name • Linda Osty Insurance
& • 136 Bridge Street
Address • Arroyo Grande, CA 93420

Issue Date (MM/DD/YY) 05/26/10

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies shown below.

St. 30 Dist. 12 Agent 41

Companies Providing Coverage:

Insured
Name • Dennis Delzeit
& • 974 Camino Caballo
Address • Nipomo, CA 93444

- Company A Truck Insurance Exchange
Letter
- Company B Farmers Insurance Exchange
Letter
- Company C Mid-Century Insurance Company
Letter
- Company D _____
Letter

Coverages

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.

Co. Ltr.	Type of Insurance	Policy Number	Policy Effective Date (MM/DD/YY)	Policy Expiration Date (MM/DD/YY)	Policy Limits	
B	<input checked="" type="checkbox"/> General Liability Commercial General Liability - Occurrence Version Contractual - Incidental Only Owners & Contractors Prot.	604683010	09/29/09	09/29/10	General Aggregate Products-Comp/OPS Aggregate Personal & Advertising Injury Each Occurrence Fire Damage (Any one fire) Medical Expense (Any one person)	\$ 1,000,000 \$ 1,000,000 \$ 1,000,000 \$ 1,000,000 \$ 75,000 \$ 5,000
	Automobile Liability All Owned Commercial Autos Scheduled Autos Hired Autos Non-Owned Autos Garage Liability				Combined Single Limit Bodily Injury (Per person) Bodily Injury (Per accident) Property Damage Garage Aggregate	\$ \$ \$ \$ \$
	Umbrella Liability				Limit	\$
	Workers' Compensation and Employers' Liability				Statutory Each Accident Disease - Each Employee Disease - Policy Limit	\$ \$ \$

Description of Operations/Vehicles/Restrictions/Special items:

Proof of insurance

Certificate Holder

Name • Proof Of Insurance
& •
Address •

Cancellation

Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail 30 days written notice to the certificate holder named to the left, but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives.

Authorized Representative

ACORD™ CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YY) 6/3/2010
PRODUCER Dealey, Renton & Associates 199 S Los Robles Ave Ste 540 Pasadena, CA 91101 626 844-3070		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
INSURED Wallace Group, a California Corporation 612 Clarion Court San Luis Obispo, CA 93401		
INSURERS AFFORDING COVERAGE		
INSURER A: Travelers Property Casualty Co of Ameri		
INSURER B: Liberty Insurance Underwriters, Inc.		
INSURER C:		
INSURER D:		
INSURER E:		

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS								
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC	6809305L66A	4/10/2010	4/10/2011	EACH OCCURRENCE \$1,000,000 FIRE DAMAGE (Any one fire) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000								
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	BA5711N519	4/10/2010	4/10/2011	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$								
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$								
A	EXCESS LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$0	CUP8813Y21A	4/10/2010	4/10/2011	EACH OCCURRENCE \$4,000,000 AGGREGATE \$4,000,000 \$ \$ \$								
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				<table border="1"> <tr> <td>WC STATU-TORY LIMITS</td> <td>OTH-ER</td> </tr> <tr> <td>E.L. EACH ACCIDENT</td> <td>\$</td> </tr> <tr> <td>E.L. DISEASE - EA EMPLOYEE</td> <td>\$</td> </tr> <tr> <td>E.L. DISEASE - POLICY LIMIT</td> <td>\$</td> </tr> </table>	WC STATU-TORY LIMITS	OTH-ER	E.L. EACH ACCIDENT	\$	E.L. DISEASE - EA EMPLOYEE	\$	E.L. DISEASE - POLICY LIMIT	\$
WC STATU-TORY LIMITS	OTH-ER												
E.L. EACH ACCIDENT	\$												
E.L. DISEASE - EA EMPLOYEE	\$												
E.L. DISEASE - POLICY LIMIT	\$												
B	OTHER Professional Liability	AEE2002540109	10/19/2009	10/19/2010	\$2,000,000 Per Claim \$2,000,000 Annl Aggregate								

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

Re: MB WWTP Program Management Services

CERTIFICATE HOLDER	ADDITIONAL INSURED; INSURER LETTER:	CANCELLATION 10 Day Notice for Non-Paymnt of Prem
Dennis Delzeit 974 Camino Caballo Nipomo CA 93444		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT.
	AUTHORIZED REPRESENTATIVE	<i>Sandy Peters</i>

PROFESSIONAL EXPERIENCE

Over forty years of public works engineering and management experience.

Private Consultant, August 2008 to the present

- Public engineering consulting services to public agency clients on a variety of projects including water and wastewater systems, streets and highways, public buildings, special studies, project engineering and management services and expert witness services; contract City Engineer for the City of Guadalupe.

Director of Public Works/City Engineer, City of Pismo Beach, July 1995 to August 2008

- Major accomplishments include management construction of a freeway interchange at US 101/4th Street which includes a bridge and new freeway ramps; four beach promenades; a new police station; two new parks; an upgrade to a fire station; preparation of a Wastewater Master Plan; Water Master Plan; a Water Reuse Plan; a Drainage Master Plan; a new wastewater treatment plant; downtown revitalization project; preparation of a zoning code; and processing of numerous subdivisions and other development projects; chair of the Traffic Safety Committee and Ocean Water Quality Committee; responsible for a \$660,000 ocean water quality scientific study. During a five year City financial crisis, was the department head for the building, planning, recreation, engineering and public works departments.

Senior Vice President/Regional Manager, Willdan Associates March 1978 to July 1995

- Responsible for a staff of over 100 employees as part owner of a consulting firm providing consulting services to municipalities in California, Arizona and Nevada.
- Managed the firm's operations in Northern California, Arizona and Nevada: 1990 to 1995
- Founded and managed the Ventura region: 1978 to 1990
- Set up and managed disaster recovery operations following the Loma Prieta Earthquake and Oakland Hills Firestorm.
- Served as contract City Engineer in Westlake Village, Moorpark, East Palo Alto, and Los Gatos and supervised the City Engineers at Fort Bragg and Clear Lake.

Public Works Director/City Engineer, City of Santa Paula, March 1974 to March 1978

- Responsible for all aspects of the City's engineering and public works functions: streets, drainage, parks, wastewater collection and treatment. Managed a staff of approximately 25 employees.

Associate Civil Engineer, City of Thousand Oaks, May 1970 to March 1974

- Mid level management position with responsibility for a staff of 5 employees in the City's Utilities Department water and wastewater system.
- Duties included capital improvement design and construction, plan checking of developments.

R. DENNIS DELZEIT, P.E.
Public Works Engineering
and Management

PROFESSIONAL CIVIL ENGINEER LICENSES

California: Licensed
Professional Civil Engineer
No. 22340

EDUCATION

Bachelor of Science in Civil
Engineering, California
State Polytechnic
University, 1968

Various graduate courses,
conferences, workshops,
seminars and continuing
education.

AWARDS

Grand Marshal, Pismo
Beach Clam Festival, 2008

Project of the Year, 2007:
Pismo Beach Wastewater
Treatment Plant (American
Society of Civil Engineers)

Project of the Year, 2007:
Pismo Beach Wastewater
Treatment Plant (American
Public Works Association)

Project of the Year, 2007:
Pismo Beach Wastewater
Treatment Plant (Water
Environmental Association)

Project of the Year,
1999: Pismo Promenade
(American Society of Civil
Engineers)

Project of the Year,
1994: Oakland Hills
Firestorm Recovery Project
(American Public Works
Association)

Assistant Civil Engineer, Boyle Engineering, March 1969 to May 1970

- Worked on water and wastewater treatment and collection projects under the supervision of project engineers.

Assistant Engineer, Texaco Incorporated, March 1968 to March 1969

- Entry level engineering position involved with off shore oil drilling and production.

R. DENNIS DELZEIT, P.E.
Public Works Engineering
and Management
(continued)

AWARDS
(continued from
previous page)

Plant of the Year, 1978:
City of Santa Paula
Wastewater Treatment
Plant (Water Pollution
Control Federation)

**PROFESSIONAL
ACTIVITIES**

Past President, American
Society of Civil Engineers,
San Luis Obispo and
Ventura Chapters

Memberships: American
Society of Civil Engineers
and American Public Works
Association

Past Professional
Representative to the
Cal Poly Society of Civil
Engineers

Conference speaker:
League of California Cities,
"Disaster Recovery"

Conference speaker:
California Contract Cities
Conference, "Disaster
Rebuilding Process"

Civic Organizations:
Speaker to organizations
such as Rotary and
Kiwanis.

OUTSIDE INTERESTS

Family, Surfing, Sailing,
Windsurfing, Motorcycling,
and Hiking.

As founder and Chairman of Wallace Group, John provides company direction and oversees the general operations of his company, a multi-discipline engineering and planning firm. Founded in 1984 as a three-person office, it has grown into a nine-division company with offices on California's Central Coast and Central Valley. Throughout his extensive professional career, John has taken great pride in establishing and maintaining long-term relationships with public and private Clients alike.

John's civil engineering experience spans over four decades in both public works and land development. He has overseen engineering and management of key projects, advocated for development before public agencies, and served as a spokesman for both the company and the industry. John has lead teams on municipal water systems and wastewater treatment projects. He has also been responsible for the design of major water, wastewater and storm water management facilities.

John has served as District Engineer and Public Works Director in several communities on the Central California Coast. That experience has earned Wallace Group high professional standing and lead to management and engineering contracts with a number of regional special service districts. Wallace Group is a leader in the region through these relationships with the local communities.

In addition to his public sector experience, John has managed land development projects from initial planning and design through construction. He has directed preparation of environmental impact reports and preparation of utility system master plans and water conservation programs. His development projects range in size from small, single parcels to large-scale, master-planned communities. His extensive experience in municipal administration gives John detailed and in-depth knowledge of the regulatory processes that scrutinize any development project. This expertise is invaluable to all Wallace Group Clients.

John's leadership is reflected in the excellence of company products and services, the exceptional performance of the firm's employees, and the esteem from clients and the public.

Over the years, John has served in many capacities, such as:

- District Administrator/Engineer; South San Luis Obispo County Sanitation District
- District Engineer; San Simeon Community Services District, San Miguel Community Services District, Templeton Community Services District, Heritage Ranch Community Services District, Oceano Community Services District and Los Osos Community Services District
- District Manager/Engineer; Avila Beach Community Services District
- Director of Public Works; Cities of Arroyo Grande, Pismo Beach and Atascadero

His other professional contributions and accomplishments include:

- Office Engineer, San Luis Obispo County
- Guest Lecturer, California Polytechnic State University
- Civil Engineering Supervisor, Los Angeles County Flood Control District
- Water Quality Chemist, Los Angeles County Sanitation District
- Wastewater Treatment Plant Operator, City of Gainesville, FL

JOHN L. WALLACE, P.E.
President, Principal

EDUCATION

BS, Civil Engineering,
University of Florida,
Gainesville, FL

MBA, Pepperdine
University, Malibu, CA

REGISTRATIONS

California Registered Civil
Engineer, Number 33965

Water Treatment Operator
III, Number 21291

AFFILIATIONS

American Public Works
Association; Board of
Directors, Monterey Bay
Chapter

American Society of Civil
Engineers (Author and
Speaker)

State Association of Flood
Plain Managers

Water Environment
Federation

San Luis Obispo County
Underground Utility
Coordination Committee

California Special District
Association Board of
Directors

Zone 3, Flood Control
District Advisory
Committee

American Water Works
Association

Water Reuse Association

Rob is one of five Principals responsible for corporate management. He is the Principal-in-Charge of the Water Resources Division, which focuses on water and wastewater engineering projects and services. Rob leads the design-build effort for this Division, which has integrated multiple water and wastewater technologies into turn-key projects for our clients. He is also Vice President of Pacific Solutions Construction, Inc., a partner company of Wallace Group.

An experienced general Civil Engineer, Rob has built an impressive background in the design and operations of municipal and industrial wastewater treatment systems; pump stations, distribution and collection facilities; along with system master planning. His expertise in natural systems for the treatment of wastewater and their creative applications have benefitted numerous projects, ranging from municipalities to residential and golf course developments and wineries. In addition to his design expertise, Rob has extensive background with various municipal funding agencies, including recent experience with the State Revolving Fund process.

In addition to his engineering abilities, Rob provides a broad range of technical services on various water management issues, including urbanized areas, agriculture, and rural mutual benefit water companies. Besides being exceptional in Client relations, Rob also excels at coaching and mentoring staff and leads and advocates for the company's professional development program.

REPRESENTATIVE PROJECTS

Los Osos Community Services District Wastewater Treatment Plant, Los Osos, CA

Currently serves as the District Engineer for the Los Osos Community Services District and also as a technical consultant to the San Luis Obispo County project team formed to determine a suitable wastewater treatment facility. Prepared an updated Facilities Plan in 2009 conforming to the new State Revolving Fund Requirements, and actively participated in the application process. Also serves on the selection team for the design/build component of the project, and will continue to perform design review as the project advances. Provided quality assurance, quality control and public information services for the challenging 1.4 mgd wastewater collection, treatment and disposal system. Managed grant application and writing process and grant administration.

Woodlands Master Planned Community, Nipomo, CA

Served as Principal-in-Charge for the analyses and engineering of the water and wastewater systems for a 1,300 unit residential development with a commercial village center and 48-hole golf course. Key facilities included potable well supplies, 1.5 million gallons of storage, a potable water booster system and a 0.7 million gallons per day tertiary wastewater reclamation facility. Also serves as the General Manager for the Mutual Water Company that was formed to operate and maintain the facility.

Nipomo Mesa (Water) Management Area, Nipomo, CA

Currently serves as President of the Nipomo Mesa Management Area (NMMA) technical group, which was formed as a result of litigation relating to the Santa Maria groundwater basin. Other services in the Nipomo area that relate to groundwater management include infrastructure assessment

ROBERT S. MILLER, PE
Principal Engineer, Vice
President

EDUCATION

BS, Civil Engineering,
California Polytechnic
State University, San Luis
Obispo, CA

REGISTRATIONS

California Registered Civil
Engineer, Number 57474

Licensed General
Engineering Contractor,
Class A, Number 809276

AFFILIATIONS

American Society of Civil
Engineers

Water Environment
Federation

Engineers Without Borders

engineering for the Nipomo Community Services District and contract management for the Calendar Grove Mutual Water Company. As General Manager and Engineer for the Woodlands Mutual Water Company in Nipomo, developed a range of water planning documents, including water and wastewater master plans and recycled water studies.

Los Osos Valley Groundwater Basin Water Management Services, Los Osos, CA

As District Engineer for the Los Osos Community Services District since 1999, developed a range of water planning documents and basin studies in conjunction with Cleath and Associates, including a Water Master Plan, basin-wide Urban Water Management Plan, grant-funded seawater intrusion assessment, and the analysis of recycled water alternatives for the proposed wastewater project. Currently serves as the chair of the Los Osos Purveyor Group, which was formed following litigation relating to groundwater management. Participants include the District, Golden State Water Company, San Luis Obispo County, and S&T Mutual Water Company. Also serves as the Vice-Chair of the Technical Advisory for the Los Osos Wastewater Project and an active participant of the County's technical team for the same facility.

Water and Wastewater Master Plans and Facilities, City of Pismo Beach, CA

Served as Principal-in-Charge or Project Engineer for a range of planning documents and infrastructure projects relating to water management, including a Water Master Plan, Urban Water Management Plan, Wastewater Master Plan, 1.9 mgd Wastewater Treatment Plant expansion (construction phase), and various water and wastewater pumping facilities.

Service Area 7 – Oak Shores Community, San Luis Obispo County, CA

Project engineer and team manager for the planning and 30% design of a 0.6 mgd Biolac wastewater treatment facility. Services included design, construction phasing and related planning, disposal analysis, and collection system integration. The project is scheduled for implementation pending improvements in the housing market.

Wastewater Treatment Plant Expansion and Infrastructure Planning, San Miguel Sanitary District, San Miguel, CA

As Project Manager, performed planning, engineering, construction management and grant administration for an expansion to San Miguel's aerated lagoon system in three phases. Processed necessary permit amendments through the Regional Water Quality Control Board.

Meadowbrook Wastewater Treatment Facility, Templeton, CA

Served as Project Manager for the wastewater treatment plant expansion using the Swanson Advanced Integrated Ponds System (AIPS), which demonstrated savings of construction and operational costs, as well as substantial savings in annual energy costs. Provided design and construction management services, along with administration and grant assistance. Continues to consult periodically on project operation to ensure effluent quality.

ROBERT S. MILLER, PE
Principal Engineer, Vice
President
(continued)

Steve is Director of the Water Resources Division. He has extensive public and private sector experience in water, recycled water and wastewater systems master planning, studies, design, and project management. He directs project design, supervises team staff, prepares reports, and serves as a Client liaison to ensure project and Client objectives are met. Steve is a 10-year resident of the City of Morro Bay, has worked with the City of Morro Bay on a number of recent projects.

Steve's prior employment included working for the Regional Water Quality Control Board as a Water Resource Control Engineer. His focus was on preparing NPDES permits and waste discharge requirements for municipal WWTP surface water and land dischargers, conducting compliance inspections for such facilities, and conducting related compliance/enforcement activities for municipal facilities.

Throughout his career, Steve has been involved in designing and managing wastewater treatment plant improvement projects, and has prepared many of the required SRF loan documents required for approval, including the Engineering Reports, Financial Plan and Revenue Program, and Approval to Award documents. He has also worked with a number of other funding programs in conjunction with wastewater and water improvement projects, including Community Development Block Grant (CDBG) funds, California Infrastructure and Economic Development Bank (CIEDB) funds, USDA Rural Utilities Service grant/loan funds.

REPRESENTATIVE PROJECTS

Wastewater Collection System Master Plan Update, City of Morro Bay, CA

Project Manager for the preparation of a comprehensive wastewater collection system master plan update for the City of Morro Bay. The City's prior master plan was prepared in 1986 and was in need of updating to reflect current conditions. The updated master plan effort included conducting extensive wastewater collection system monitoring (11 stations) over two rainy seasons to identify areas of significant infiltration/inflow. A sewer collection system model was prepared and a detailed evaluation of the hydraulic capacity of the collection system was conducted. A detailed evaluation of the City's three sewage lift stations was also conducted.

Templeton Meadowbrook WWTP Expansion to 0.6 MGD, Templeton Community Services District, Templeton, CA (2007/2008)

Project Manager and Lead Designer to expand the existing 0.3 MGD Meadowbrook Advanced Integrated Pond System (AIPS) plant expansion to 0.6 MGD. Prepared design plans for the 0.3 MGD upgrade, including parallel train of new 0.3 MGD Stage I and Stage II AIPS ponds, aerator selection, specifications, dissolved oxygen control, hydraulic profile, yard piping, headworks/influent sewer upgrades, and other improvements for the WWTP expansion.

Lift Station Design, City of Morro Bay, CA

Project Manager for the preliminary evaluation and design/upgrade of two of the City's existing drypit lift stations. The stations are being upgraded to eliminate the wetpit/drypit configuration and thus minimize confined space entry. Lift station 2 is a 750 gpm lift station, situated adjacent to the Bay and lift station 3 is a 330 gpm lift station with high head (150 feet) conditions.

STEVEN G. TANAKA, PE,
CSI, CCS
Director of Water
Resources

EDUCATION

MS, Civil Engineering,
California State University,
Long Beach, CA

BS, Civil Engineering,
California State University,
Fresno, CA

REGISTRATIONS

California Registered Civil
Engineer, Number 49779

Idaho Registered Civil
Engineer, Number 12844

Arizona Registered Civil
Engineer, Number 31526

CERTIFICATIONS

CSI Certified Construction
Specifier (CCS)

CSI Certified Construction
Contract Administrator
(CCCA)

AFFILIATIONS

American Society of Civil
Engineers

WaterReuse Association

Engineers Without Borders

Construction Specifications
Institute (CSI)

Water Recycling Feasibility Studies and Design Projects, CA

Prepared recycled water feasibility and technical studies, design services, State Revolving Fund (SRF) funding support, regulatory oversight and public outreach, and other activities related to recycled water programs, for the following entities: San Simeon CSD, South San Luis Obispo County Sanitation District, City of Arroyo Grande, City of Pismo Beach, Chumash Casino Santa Ynez, City of Reno/Stead, Nevada, Goleta Water District/Sanitary District, City of Camarillo, City of San Jose/South Bay Water Recycling Program, Lake Sherwood Golf Course (Southern California).

Water Storage Tank and Transmission Main, San Miguel Community Services District, San Miguel, CA

Prepared an engineering study and secured USDA grant/loan monies for the construction of a 0.65 mg water storage tank and transmission pipeline upgrade, to correct existing storage system deficiencies. Steve assisted the District from “start to finish” with the USDA grant/loan program, coordinating with USDA staff in Visalia, CA and Santa Maria, CA, preparing the preliminary and final applications, preliminary engineering report, design documents, and grant/loan disbursement requests and close-out documents.

Priority 1 Capital Improvement Program, Los Osos Community Services District, Los Osos, CA

Overall Program Manager for the implementation of the \$5 million low-interest loan and capital improvement program for the District’s Priority 1 capital improvements to their existing water system. The priority 1 projects were defined as part of the water master plan also prepared by Wallace Group. Funds were secured through the California Infrastructure and Economic Development Bank (CIEDB) funds. The program included approximately 10 defined water system projects, identified as Priority 1 projects needed to correct existing health and water service deficiencies in the existing water supply and distribution system.

Water Reclamation Facility Upgrade, City of Reno, NV

Served as Project Manager/Coordinator/Engineer to upgrade existing 2.3 mgd water reclamation facility in Stead/Lemmon Valley; head works improvements, odor control, oxidation ditch modifications, new filters, sodium hypochlorite disinfection and other treatment enhancements.

Ferrous Chloride Injection Stations, Morro Bay, CA

Served as Design Engineer for four ferrous chloride injection stations for sulfide control in the collection system, and digester gas emission control at the joint wastewater treatment plant.

STEVEN G. TANAKA, PE,
CSI, CCS
Director of Water
Resources
(continued)

EMPLOYMENT HISTORY

1999-present: Wallace
Group

1997-1999: Parsons
Engineering Science

1987-1997: Brown and
Caldwell Consultants

1985-1987: Regional Water
Quality Control Board

Jeremy has honed his talents and expertise through years of providing planning services to private Clients and public agencies in Coastal California, an area well known for its stringent regulations. He applies his expertise to residential, commercial and agricultural projects and excels in guiding clients and projects through complex regulatory environments.

With a penchant for detail and thorough knowledge in agencies and their regulations, he excels in regulatory permitting coordination. He has facilitated and provided public presentations, prepared grant applications for public agencies and prepared procedural project documents.

REPRESENTATIVE PROJECTS

Staff Services to Community Services Districts and Local Agencies

Provided administrative services, such as staff reports, project updates and design coordination for local community services districts and public agencies. Also administered grants in entirety, from preparation of the application, administration during the project through project completion and close out.

SSLOCS- Aeration Tank and Secondary Clarifier-State Revolving Fund Loan Processing

Prepared the initial State Revolving Fund Loan application components and the County and Coastal Commission permit application. Coordinated with the District with the selection of an environmental company for the development of the CEQA document.

City of Guadalupe- USDA Loan/Grant Processing- Highway 1 Waterline replacements

Wallace Group prepared the necessary staff reports for the USDA grant/loan application components for the waterline replacements which included the environmental documents, grant application components, Bond Counsel coordination.

City of Guadalupe- Water Storage Facility – USDA Loan/Grant and CEQA Processing

Wallace Group assisted the City in securing a 75% grant/25% low interest loan from the United States Department of Agriculture, for assistance to low-income communities, as part of project funding. Prepared and administered the Initial Study and Negative Declaration through the City hearing process.

OCS- CDBG Sewer line Replacement- Regulatory Agency Coordination and Community Development Block Grant

Prepared Coastal Commission permit for the 26 sewer line replacements, prepared, prepared staff reports addressing CDBG Funding and reallocation of funding to complete the project.

JEREMY A. FREUND
Senior Planner

EDUCATION

BS, City and Regional Planning, California Polytechnic State University, San Luis Obispo, CA

CERTIFICATION

California Land Surveyors Association Certificate of Completion Advanced Subdivision Map Act, September 2004

AFFILIATION

American Planning Association, San Luis Obispo Chapter

Jill prepares and manages public agency capital improvement programs and operating budgets. As part of the budget process, she assists public agencies in the development of annual and long-term financing goals, strategies and plan of achievement. Her primary responsibilities include researching and developing grant proposals for submittal to the appropriate granting agencies; administering acquired grants by directing and tracking grant funds, reviewing expenditure requisitions, and post-award reporting to granting agencies; and developing and maintaining a strong professional relationship with current and prospective funding organizations. In addition, she is in charge of developing specialized engineering studies and reports, including engineer's reports for Assessment Districts.

Prior to joining Wallace Group, Jill worked for a Regional Transportation Planning Agency, serving as a Project Manager for engineering and planning studies of various transportation facilities. She established, monitored and processed several regional, state, and federal programs for projects. Her past experience also includes development of project reports and engineering feasibility studies ranging from major freeway interchanges to bicycle, pedestrian, golf cart and equestrian trails.

REPRESENTATIVE PROJECTS

Various California Public Agencies

Prepared capital improvement programs and operating budgets.

Various California Public Agencies

Since 1996 procured and administered numerous federal, state and regional grant and loan funds.

Cities of Arroyo Grande and Guadalupe, CA

Procured Rule 20A funds for undergrounding the overhead utility lines in these cities.

City of Arroyo Grande, CA

Served in the capacity of City staff since 1997.

Los Osos Community Services District, CA

Provided administrative and maintenance services to the Wastewater Assessment District No. 1.

Community of Cambria, CA

Served as Project Manager for the development of the underground utility assessment district on Sherwood Drive.

Public Agencies in California

For numerous clients, managed development of public notice mailings; conducted public meetings; coordinated right-of-way acquisitions; and coordinated activities among property owners, advisory groups and public agencies for various public improvement projects.

JILL E. MCPEEK
Senior Engineer

EDUCATION

BS, Civil Engineering,
California Polytechnic
State University, San Luis
Obispo, CA

CERTIFICATION

ICC Certified Building
Inspector

AFFILIATIONS

American Society of Civil
Engineers

International Code Council

Some portions of the proposed agreement may be in conflict with the required insurance provisions of the RFP. Therefore, we would anticipate discussing these items with you after investigating them with the insurance companies.

As requested, the Project Team will respond to the specified Scope of Work as presented the RFP as follows. Please note, black text is per the RFP and items in **blue, bold italic text** are enhancements to the RFP work scope that we are proposing.

Potential Scope Summary

- Advise and represent the City and District in the replacement of their treatment plant
- Provide Project Management
- Coordinate project activities and consultants
- Assist and coordinate in the preparation of environmental and permit documents
- Assist in the preparation of the SRF Application and SRF loan process
- Assist in and coordinate activities associated with the design process
- Assist the City and District in hiring consultants for Value Engineering, Construction Management Services, and other services as required, may include the development and evaluation of RFPs and RFQs
- Public outreach and education concerning the upgrade project
- Schedule review
- Budget and financial review

Advise and Represent the City and District:

The PM will assist and advise the City and District to ensure the successful completion of the upgrade project through the design phase and up to the beginning of construction (through completion of the bid phase). The PM will ensure that the contracting process for a complex project of this nature is properly solicited and awarded through a competitive bid process. The PM will ensure delivery of the project within the time constraints set forth in the 8 – Year Time Schedule using the expertise necessary to assist City and District staff in the oversight and management of this process.

- ***Dennis Delzeit, Project Manager, is committed to assisting Morro Bay/Cayucos meet their stated goal of delivering a quality project for under \$28 million with full compliance by March 31, 2014.***

Project Management:

Perform the following subtasks and any required additional tasks to develop a plant upgrade project required for the successful completion for the City and Districts WWTP upgrade, consistent with SRF requirements.

The PM will manage all sub-consultants on the team, directing the flow of information between the consultant team members and the City and District's staff. Monthly billing and status reports should be clearly presented to the City and District in an organized manner, with costs distributed among tasks and funding sources.

The PM shall assist City and District staff in the preparation of applications to obtain necessary permits to complete the project. Permit applications shall be submitted in a timely manner, and the PM will be responsible for monitoring the issuance of permits for the proposed project. The PM will be responsible for coordination with outside agencies and sub consultants.

The PM shall coordinate and ensure that all necessary studies, surveys, documentation, studies, and all other services required for the complete development of project plans and specifications for design of the plant upgrades are successfully completed per the project design schedule.

- ***Dennis will engage in the overall management of the project including the communication, monitoring, reporting, scheduling and financial control of the design consultant as well as all other consultants to be engaged for the project. All key activities will be identified,***

and assigned. Reporting of both financial and schedule status will be accomplished routinely and completely. Monitoring will include reporting current status as well as forecasting potential obstacles to progress and will be made known to interdependent consultants as well as City and District staff and governing bodies.

Coordinate Project Activities:

The PM will participate in the coordination of efforts between City and District staff and the City Council and District Board. The PM will also coordinate the services of the consultants to help ensure delivery milestones are met and work products are complete and technically sound.

This task includes program management, directing public meetings and general administration. Project Development meetings will be held at monthly intervals or as needed between the City and District and the Consultant Project Development Team. A Project Development Team will be established and will be comprised of the City and District, City and District Consultants, and other representatives, as deemed necessary.

- *Both Dennis and the Assistant Project Manager, John Wallace, have many years of experience in communicating with governing bodies as well as communicating with the public. Project management team meetings will be held on a monthly or more frequent basis as needed. Other agency representatives will be brought into the project team meetings as necessary and far enough in advance so as to provide forecasts of requirements as well as potential obstacles.*

Environmental Review and Permitting:

The PM shall assist City and District staff and act as the owners' representative in the preparation of applications to obtain necessary permits to complete the project. Permit applications shall be submitted in a timely manner, and the PM will be responsible for monitoring the issuance of permits for the proposed project. The PM will be responsible for coordination with outside agencies and sub consultants. The PM will assist in the preparation of any required permits and assist City and District staff in obtaining said permits. The City will serve as both the lead agency for the local permitting process (Conditional Use Permit and Coastal Development Permit) as well as the applicant. The PM will be assisting the City in its role as the applicant only. The City and District have retained ESA as its environmental consultant. The PM will help to coordinate the design consultants with the environmental review process. Tasks will include attendance at meetings and hearings, and the preparation of staff reports.

- *In order to facilitate a division of responsibilities and expedite the overall process, John and staff at Wallace Group (WG) will handle this task. We will review and edit the written permits before they are submitted and also attend the meetings with the environmental consultant (ESA) to monitor and guide the process. If ESA is to handle the CUP process, WG will assist. If needed, WG will step in to do the processing of the CUP and work closely with the City Planning staff to get the CUP approved (attend Planning Commission/City Council meetings as deemed necessary).*

Prepare SRF Application and Supporting Documents:

The PM will also be required to assist the City and District in obtaining such funds. The PM will ensure the project complies with the SRF program requirements in constructing the upgraded plant. The PM should be familiar with and will ensure the project complies with the SRF program requirements in constructing the upgraded plant. The PM should be familiar with the requirements summarized in the STATE WATER RESOURCES CONTROL BOARD's publication entitled "POLICY FOR IMPLEMENTING THE STATE REVOLVING FUND FOR CONSTRUCTION OF WASTEWATER TREATMENT FACILITIES".

The PM will serve as the point of contact for the SRF process and will be responsible to ensure complete accurate and timely execution of the SRF applications, as well as providing support once the applications are complete.

- ***Wallace Group will also be responsible for this specific task. Along with preparing and submitting the SRF application in accordance with State requirements, a cash flow analysis will be performed and tracked in order to facilitate the MBCSD's funding of the project. This is a very necessary tool so as to time the expenditures with the funding from SRF loans. A timeline will also be prepared that will graphically illustrate this process including the timing of MBCSD reimbursements. In order to better protect the City and District, potential bridge loan scenarios will be explored in addition to provisions in the construction specifications that may put the contractor on notice that they will be paid from reimbursements (if possible under SRF requirements). Whatever the case, the Project Management Team will look after the City and District's financial well being.***

Assist and Coordinate in the Preparation of the Design Process:

Coordinate with the design team and other consultants to ensure that all critical tasks are coordinated with the appropriate consultants and/or City and District staff.

- ***This activity is part and parcel of the Project Manager's responsibility.***

Develop RFQs and assist the City and District in Hiring Consultants for Value Engineering, Construction Management Services, or Other Services as Required.

Ensure that value engineering is conducted in a timely fashion and that it is in accordance with the SRF requirements for value engineering. The PM will develop the RFQs for Construction Management and will assist City and District staff in the evaluation of RFQs for Construction Management Services. The PM will provide a recommendation to the Council and District Board for award of contract.

- ***John, under the direction Dennis, will take the lead drafting the RFQs. Dennis will review and edit this material before it is issued by MBCSD. This process will provide a key piece of the Project Team's quality assurance approach to this project.***

Public Outreach and Education Concerning the Upgrade Project

The PM will assist staff in keeping the Council, District Board, staff, and the public apprised of the project status. This task may require conducting and coordinating public workshops and project meetings, and will require attendance and participation in JPA, City, and CSD meetings.

- ***Dennis has worked in public works management and engineering for 40 years and recognizes the importance and subtleties of effective communication on public and political issues.***

Schedule Review

The PM will be responsible for the overall tracking and management of the project schedule. The PM will coordinate the work of the design professional, as well as participate in the permit preparation process to ensure that the various work tasks completed support the overall project schedule. The project schedule will be tracked against the adopted 8 Year Time Schedule to help ensure that the adopted Time Schedule is met and completed ahead of schedule if possible.

- ***It is anticipated that this will be a joint effort between Dennis Delzeit and John Wallace. It is also understood that the other MBCSD consultants, such as MWH, ESA,***

and others are required to prepare and keep up to date, a critical path schedule. Dennis will be responsible for overseeing their performance and coordinating overall schedule status. It will be emphasized that each of the MBCSD's consultants are required to stay on schedule unless the MBCSD grants a time extension—no exceptions. Also, a master critical path schedule (prepared by WG) will show how the consultants' schedules mesh. The critical path schedule will extract critical milestones from the consultants already prepared schedules. Also, it is important to identify scheduling that we may not have control over such as outside permitting, and SRF loan processing, however, it is recognized that the Dennis will emphasize the need to closely communicate with these outside agencies to determine what is needed to keep the project process moving. The goal is to provide outside agencies with everything they need to process the project. To this end, Dennis and John, along with many WG staff, already have established relationships with people in these outside organizations.

Budget and Financial Review

The PM will review the design consultant's as well as other consultant's progress payments for completeness and compliance with their respective contracts. The PM will focus on ensuring that payments made to the consultants match the deliverables received.

- *Spreadsheets will be prepared to identify critical budget issues: Project budget, cash flow, contract amounts for various consultant services, amount spent to date, progress to date, contract amendments, change orders etc. Graphics and reports will be provided to let the staff, Council, and CSD Board know that financial information is available. This would also be a part of the monthly report (see deliverables below).*

Deliverables

The PM will be responsible for submittal of monthly progress reports to the JPA describing the status of the project including but not limited to deliverables received from consultants, funds expended to date by project task, status of the project, updating of the project schedule, and upcoming or outstanding tasks or items.

- *Monthly progress reports will be submitted in both hard copy and electronic formats, including each of the above status items. The reports will clearly delineate each consultant deliverable, including a verbal and graphical depiction of the actual budget and time expended in comparison to the approved work plan.*

Intended Use of Consultant's Work

The Project Management related services produced by the consultant are a necessary component of the process required for the City and the District for the upgrade and rehabilitation of the existing wastewater treatment process. After review and approval of the design, engineering, and pre-construction related services, the City and the District will proceed with the next phases of the project to construct the improvements contained within the design for improvements to, and rehabilitation of facilities at the Morro Bay-Cayucos Wastewater Treatment Plant.

- *The Project Manager and Project Team members acknowledge the intent of this work.*

APPX F: HOURLY RATES

R. DENNIS DELZEIT

Public Works and Engineering Manager \$180

WALLACE GROUP

Engineering Services:

Engineering Assistant I - III	\$ 66 - \$ 83
Project Analyst I - IV	\$ 83 - \$126
Engineering Associate I – V	\$100 - \$125
Senior Civil Designer I – III	\$132 - \$142
Civil Engineer I – IV	\$122 - \$137
Mechanical Engineer I – IV	\$122 - \$137
Senior Mechanical Engineer I - IV	\$144 - \$154
Senior Environmental Resource Engineer	\$144
Senior Civil Engineer I – IV	\$144 - \$154
Wetlands Specialist	\$160
Project Manager	\$150
Senior Project Manager	\$154
Director of Water Resources	\$154
Director of Mechanical Engineering	\$154
Director of Civil Engineering	\$154
Principal Engineer	\$166
Principal	\$176

Planning Services:

Planning Assistant I - III	\$ 66 - \$ 83
Planning Designer I - III	\$ 80 - \$100
Planner I – IV	\$122 - \$137
Associate Planner I – V	\$100 - \$137
Senior Planner I - IV	\$144 - \$154
Supervising Planner	\$149
Consulting Planner	\$154
Director of Planning	\$154

Public Works Administration Services:

Project Analyst I - IV	\$ 83 - \$126
Program Manager	\$122
Public Works Administrator I-III	\$122 - \$132
Senior Right-of-Way Agent	\$144
Senior Engineer I-III	\$144 - \$152

Administrative Services:

Administrative Assistant I – V	\$ 64 - \$ 79
Financial Analyst I – II	\$ 83 - \$105
Senior Financial Analyst	\$122

DIRECT EXPENSES:

Reimbursement of direct expenses incurred in connection with the project scope of work will be invoiced to the client. A handling charge of 15% may be added to the direct expenses listed below. Direct expenses include, but are not limited to the following:

- travel expenses (automobile/lodging/ meals)
- professional sub-consultants
- county/city fees
- document copies
- long distance telephone/fax
- postage/delivery service
- special materials
- blueprints
- photographs

INVOICING AND INTEREST CHARGES:

Invoices are submitted monthly on an accrued cost basis in accordance with this Fee Schedule. A finance charge of 1.5% per month (18% per annum) will be assessed on all balances that are thirty days past due.

FEE REVISIONS:

We reserve the right to revise our Schedule of Fees on a semi-annual basis, and also to adjust hourly prevailing wage rates (up or down) as the State establishes rate changes. As authorized in advance by the client, overtime on a project will be billed at 1.3 times the normal employee's hourly rate.

PERSONNEL CLASSIFICATIONS:

We may find it necessary to occasionally add new personnel classifications to our Hourly Rate Schedule.

MILEAGE:

We charge \$0.60 per mile.

CONSULTANT SERVICES AGREEMENT

This Consultant Services Agreement ("Agreement") is made upon the date of execution, as set forth below, by and between **R. DENNIS DELZEIT**, an individual, (hereinafter referred to as **CONSULTANT**), and the **CITY OF MORRO BAY**, a California Municipal Corporation (hereinafter referred to as "**CITY**") and the **CAYUCOS SANITARY DISTRICT**, a California Special District (hereinafter referred to as "**DISTRICT**") (**CITY** and **DISTRICT** may be hereinafter collectively referred to as "**CITY/DISTRICT**").

A. **CITY** and **DISTRICT** jointly own and operate a wastewater treatment plant located within the City of Morro Bay; and

B. **CITY** and **DISTRICT** desire to engage **CONSULTANT** to perform the services described herein below; and

C. **CONSULTANT** represents that it possesses the skill, education and licenses necessary to satisfactorily perform, and desires to perform said services.

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

1.00 GENERAL PROVISIONS

1.01 TERMS. This Agreement will become effective on the date of execution set forth below, and will continue in effect until terminated as provided herein.

1.02 CONTRACT COORDINATION.

a. CITY/DISTRICT. **CITY's** Wastewater Division Manager shall be the representative of **CITY/DISTRICT** for all purposes under this Agreement. **CITY's** Wastewater Division Manager, or his designated representative, hereby is designated as the Contract Manager for the **CITY/DISTRICT**. He shall supervise the progress and execution of this Agreement.

b. CONSULTANT. **CONSULTANT** shall assign a single Contract Manager to have overall responsibility for the progress and execution of this Agreement for **CONSULTANT**. Contract/Project Manager Name here is hereby designated as the Contract Manager for **CONSULTANT**. Should circumstances or conditions subsequent to the execution of this Agreement require a substitute Contract Manager for any reason, the Contract Manager designee shall be subject to the prior written acceptance and approval of the **CITY/DISTRICT's** Contract Manager.

1.03 **SERVICES TO BE PERFORMED BY CONSULTANT.** **CONSULTANT** agrees to perform or provide the services specified in "Scope of Work" attached hereto as Exhibit "A" and incorporated herein by this reference.

CONSULTANT shall determine the method, details and means of performing the above-referenced services.

CONSULTANT may, at **CONSULTANT's** own expense, employ such assistants as **CONSULTANT** deems necessary to perform the services required of **CONSULTANT** by this Agreement. **CITY/DISTRICT** may not control, direct or supervise **CONSULTANT's** assistants or employees in the performance of those services.

1.04 **COMPENSATION.** In consideration for the services to be performed by **CONSULTANT**, **CITY/DISTRICT** agrees to pay **CONSULTANT** the consideration set forth in the amounts and under the terms provided in Exhibit "B" attached hereto and incorporated herein by this reference.

2.00 **OBLIGATIONS OF CONSULTANT**

2.01 **MINIMUM AMOUNT OF SERVICE BY CONSULTANT.** **CONSULTANT** agrees to devote the hours necessary to perform the services set forth in this Agreement in an efficient and effective manner. **CONSULTANT** may represent, perform services for and be employed by additional individuals or entities, in **CONSULTANT's** sole discretion, as long as the performance of these extra-contractual services does not interfere with or present a conflict with **CITY/DISTRICT's** business.

2.02 **TOOLS AND INSTRUMENTALITIES.** **CONSULTANT** shall provide all tools and instrumentalities necessary to perform the services under this Agreement.

2.03 **LAWS TO BE OBSERVED.** **CONSULTANT** shall:

a. Procure all permits and licenses, pay all charges and fees, and give all notices which may be necessary and incidental to the due and lawful prosecution of the services to be performed by **CONSULTANT** under this Agreement;

b. Keep itself fully informed of all existing federal, state and local laws, ordinances, regulations, orders, and decrees which may affect those engaged or employed under this Agreement, any materials used in **CONSULTANT's** performance under this Agreement, or the conduct of the services under this Agreement;

c. At all times observe and comply with, and cause all of its employees to observe and comply with all of said laws, ordinances, regulations, orders, and decrees mentioned above;

d. Immediately report to the **CITY/DISTRICT's** Contract Manager in writing any discrepancy or inconsistency it discovers in said laws, ordinances, regulations, orders, and decrees mentioned above in relation to any plans, drawings, specifications, or provisions of this Agreement.

2.04 **RELEASE OF REPORTS AND INFORMATION.** Any video tape, reports, information, data, or other material given to, or prepared or assembled by, **CONSULTANT** under this Agreement shall be the property of **CITY/DISTRICT** and shall not be made available to any individual or organization by **CONSULTANT** without the prior written approval of **CITY** and **DISTRICT**, respectively. This provision shall not apply to information in whatever form that comes into the public domain, nor shall it restrict **CONSULTANT** from giving notices required by law or complying with an order to provide information or data when such order is issued by a court, administrative agency or other authority with proper jurisdiction.

2.05 **COPIES OF VIDEO TAPES, REPORTS AND INFORMATION.** If **CITY/DISTRICT** requests additional copies of videotapes, reports, drawings, specifications, or any other material in addition to what the **CONSULTANT** is required to furnish in limited quantities as part of the services under this Agreement, **CONSULTANT** shall provide such additional copies as are requested, and **CITY/DISTRICT** shall compensate **CONSULTANT** for the costs of duplicating of such copies at **CONSULTANT's** direct expense.

2.06 **QUALIFICATIONS OF CONSULTANT.** **CONSULTANT** represents that it is qualified to furnish the services described under this Agreement.

2.07 **WORKERS COMPENSATION AND OTHER EMPLOYEE BENEFITS.** **CITY/DISTRICT** and **CONSULTANT** intend and agree that **CONSULTANT** is an independent contractor of **CITY/DISTRICT** and agrees that **CONSULTANT** and **CONSULTANT's** employees and agents have no right to Workers Compensation and other employee benefits. If any worker insurance protection is desired, **CONSULTANT** agrees to provide Workers Compensation and other employee benefits, where required by law, for **CONSULTANT's** employees and agents. **CONSULTANT** agrees to hold harmless, defend and indemnify **CITY** and **DISTRICT**, respectively, from any and all claims for injury, disability, or death of **CONSULTANT** and **CONSULTANT's** employees or agents.

2.08 INDEMNIFICATION

(a) Indemnification for Professional Liability. When the law establishes a professional standard of care for **CONSULTANT's** Services, to the fullest extent permitted by law, **CONSULTANT** shall indemnify, protect, defend and hold harmless District and any and all of its Directors, officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorney's fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of **CONSULTANT**, its officers, agents, employees or subcontractors (or any entity or individual that **CONSULTANT** shall bear the legal liability thereof) in the performance of professional services under this Agreement.

(b) Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, **CONSULTANT** shall indemnify, defend and hold harmless District, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by **CONSULTANT** or by any individual or entity for which **CONSULTANT** is legally liable, including but not limited to officers, agents, employees or subcontractors of **CONSULTANT**. This obligation to indemnify and defend District as set forth herein is binding on the successors, assigns or heirs of **CONSULTANT** and shall survive the termination of this Agreement or this section.

(c) General Indemnification Provisions. **CONSULTANT** agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of **CONSULTANT** in the performance of this agreement. In the event **CONSULTANT** fails to obtain such indemnity obligations from others as required here, **CONSULTANT** agrees to be fully responsible according to the terms of this section. Failure of District to monitor compliance with these requirements imposes no additional obligations on District and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend District as set forth herein is binding on the successors, assigns or heirs of **CONSULTANT** and shall survive the termination of this agreement or this section.

(d) Indemnity Provisions for Contracts Related to Construction. Without affecting the rights of District under any provision of this Agreement, **CONSULTANT** shall not be required to indemnify and hold harmless District for liability attributable to the active negligence of District, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where District is shown to have been actively negligent and where District's active negligence accounts for only a percentage of the liability involved, the obligation of **CONSULTANT** will be for that entire portion or percentage of liability not attributable to the active negligence of District.

2.09 **INSURANCE**. Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit "C" attached hereto and incorporated herein as though set forth in full.

3.00 **TIME FOR COMPLETION OF THE WORK**

Program scheduling shall be as described in Exhibit "A" unless revisions to the exhibit are approved by **CONSULTANT's** Contract Manager and both the **CITY's City Manager** and the **DISTRICT's** General Manager .

Time extensions may be allowed for delays caused by **CITY/DISTRICT**, other governmental agencies, or factors not directly brought about by the negligence or lack of due care on the part of the **CONSULTANT**.

4.00 **TEMPORARY SUSPENSION**

The **CITY/DISTRICT's** Contract Manager shall have the authority to suspend this Agreement wholly or in part, for such period as he deems necessary due to unfavorable conditions or to the failure on the part of the **CONSULTANT** to perform any provision of this Agreement. **CONSULTANT** will be paid the compensation due and payable to the date of temporary suspension.

5.00 **INSPECTION**

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

6.00 **OWNERSHIP OF MATERIALS**

All original drawings, videotapes and other materials prepared by or in possession of **CONSULTANT** pursuant to this Agreement shall become the permanent property of the **CITY/DISTRICT**, and shall be delivered to the **CITY/DISTRICT** upon demand. All such documents, plans and specifications prepared under this Agreement shall become the property of the **CITY/DISTRICT** upon completion of the work and payment of monies earned and due to the **CONSULTANT**. Any unauthorized use of the materials shall be at the **CITY/DISTRICT's** sole risk and without liability to the Consultant.

7.00 **OBLIGATIONS OF CITY/DISTRICT**

7.01 **COOPERATION.** **CITY/DISTRICT** agrees to comply with all reasonable requests of **CONSULTANT** necessary to the performance of **CONSULTANT's** duties under this Agreement.

7.02 **CITY** shall also be responsible for providing such staff production assistance as is specified in Exhibit "A".

8.00 **TERMINATION OF AGREEMENT**

8.01 **TERMINATION OF NOTICE.** Notwithstanding any other provisions of this Agreement, any party hereto may terminate this Agreement, at any time, without cause by giving at least ten (10) days prior written notice to the other parties to this Agreement.

8.02 **TERMINATION ON OCCURRENCE OF STATED EVENTS.** This Agreement shall terminate automatically on the occurrence of any of the following events:

- a. Bankruptcy or insolvency of any party;
- b. Sale of the business of any party without the prior approval of the other party;
- c. End of the Agreement to which **CONSULTANT's** services were necessary: or
- d. Assignment of this Agreement by **CONSULTANT** without the prior written consent of **CITY/DISTRICT**.

8.03 **TERMINATION BY ANY PARTY FOR DEFAULT OF CONSULTANT.** Should any party default in the performance of this Agreement or materially breach any

of its provisions, a non-breaching party, at its option, may terminate this Agreement, immediately, by giving written notice of termination to the breaching party.

8.04 **RETURN OF MATERIALS.**

Upon such termination, **CONSULTANT** shall turn over to the **CITY/DISTRICT** immediately any and all copies of videotapes, studies, sketches, drawings, computations, and other data, whether or not completed, prepared by **CONSULTANT**, and for which **CONSULTANT** has received reasonable compensation, or given to **CONSULTANT** in connection with this Agreement. Such materials shall become the permanent property of **CITY/DISTRICT**. **CONSULTANT**, however, shall not be liable for **CITY/DISTRICT**'s use of incomplete materials.

9.00 **SPECIAL PROVISIONS**

9.01 **INTEREST OF CONSULTANT.**

CONSULTANT covenants that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the services hereunder. **CONSULTANT** further covenants that, in the performance of this Agreement, no subcontractor or person having such an interest shall be employed. **CONSULTANT** certifies that no one who has or will have any financial interest under this Agreement is an officer or employee of **CITY** or **DISTRICT**, respectively. It is expressly agreed that, in the performance of the services hereunder, **CONSULTANT** shall at all times be deemed an independent contractor and not an agent or employee of **CITY** or **DISTRICT**, respectively.

9.02 **DISCRIMINATION.**

No discrimination shall be made in the employment of persons under this Agreement because of the race, color, national origin, ancestry, religion or sex of such person.

If **CONSULTANT** is found in violation of the nondiscrimination provisions of the State of California Fair Employment Practices Act or similar provisions of federal law or executive order in the performance of this Agreement, it shall thereby be found in material breach of this Agreement. Thereupon, **CITY/DISTRICT** shall have the power to cancel or suspend this Agreement, in whole or in part, or to deduct from the amount payable to **CONSULTANT** the sum of Fifty Dollars (\$50) for each person for each calendar day during which such person was discriminated against, as damages for said breach of contract, or both. Only a finding of the State of California Fair Employment

Practices Commission or the equivalent federal agency or officer shall constitute evidence of a violation of contract under this paragraph.

If **CONSULTANT** is found in violation of the nondiscrimination provisions of this Agreement or the applicable affirmative action guidelines pertaining to this Agreement, **CONSULTANT** shall be found in material breach of the Agreement. Thereupon, **CITY/DISTRICT** shall have the power to cancel or suspend this Agreement, in whole or in part, or to deduct from the amount payable to **CONSULTANT** the sum of Five Hundred Dollars (\$500) for each calendar day during which **CONSULTANT** is found to have been in such noncompliance as damages for said breach of contract, or both.

10.00 **MISCELLANEOUS**

10.01 **REMEDIES**. The remedies set forth in this Agreement shall not be exclusive but shall be cumulative with, and in addition to, all remedies now or hereafter allowed by law or equity.

10.02 **NO WAIVER**. The waiver of any breach by any party of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of this Agreement.

10.03 **ASSIGNMENT**. This Agreement is specifically not assignable by **CONSULTANT** to any person or entity. Any assignment or attempt to assign by **CONSULTANT**, whether it be voluntary or involuntary, by operation of law or otherwise, is void and is a material breach of this Agreement giving rise to a right to terminate as set forth in Section 8.03.

10.04 **ATTORNEY FEES**. In the event of any controversy, claim or dispute between the parties hereto, arising out of or relating to this Agreement, or the breach thereof, the prevailing party shall be entitled, in addition to other such relief as may be granted, to a reasonable sum as and for attorney fees.

10.05 **TIME FOR PERFORMANCE**. Except as otherwise expressly provided for in this Agreement, should the performance of any act required by this Agreement to be performed by either party be prevented or delayed by reason by any act of God, strike, lockout, labor trouble, inability to secure materials, or any other cause except financial inability not the fault of the party required to perform the act, the time for performance of the act will be extended for a period of time equivalent to the period of delay and performance of the act during the period of delay will be excused; provided, however, that nothing contained in this section shall exclude the prompt payment by either party as required by this Agreement or the performance of any act rendered difficult or

impossible solely because of the financial condition of the party required to perform the act.

10.06 **NOTICES**. Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Agreement or by law to be served on or given to any party to this Agreement shall be in writing and shall be deemed duly served and given when personally delivered or in lieu of such personal service when deposited in the United States mail, first-class postage prepaid to the following address for each respective party:

CITY/DISTRICT: City of Morro Bay
595 Harbor Street
Morro Bay, CA 93442

CITY/DISTRICT: Cayucos Sanitary District
P.O. Box 333
Cayucos, CA 93430

WITH COPY TO: Timothy J, Carmel, Esq.
Carmel & Naccasha, LLP
P.O. Box 15729
San Luis Obispo, CA 93406

CONSULTANT: R. Dennis Delzeit

10.07 **GOVERNING LAW**. This Agreement and all matters relating to this Agreement shall be governed by the laws of the State of California in force at the time any need for the interpretation of this Agreement or any decision or holding concerning this Agreement arises. Any litigation concerning or arising from this Agreement shall take place in the Superior Court for San Luis Obispo County.

10.08 **BINDING EFFECT**. This Agreement shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto, but nothing in this section shall be construed as a consent by **CITY/DISTRICT** to any assignment of this Agreement or any interest in this Agreement.

10.09 **SEVERABILITY**. Should any provision of this Agreement be held by a court of competent jurisdiction or by a legislative or rule making act to be either invalid, void or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect, unimpaired by the holding, legislation or rule.

10.10 **SOLE AND ENTIRE AGREEMENT.** This Agreement constitutes the sole and entire agreement between the parties with respect to the subject matter hereof. This Agreement correctly sets forth the obligations of the parties hereto to each other as of the date of this Agreement. All agreements or representations respecting the subject matter of this Agreement not expressly set forth or referred to in this Agreement are null and void.

10.11 **TIME.** City/District and Consultant agree that time is of the essence in this Agreement.

10.12 **DUE AUTHORITY.** The parties hereby represent that the individuals executing this Agreement are expressly authorized to do so on and in behalf of the parties.

10.13 **CONSTRUCTION.** The parties agree that each has had an opportunity to have their counsel review this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendments or exhibits thereto. The captions of the sections are for convenience and reference only, and are not intended to be construed to define or limit the provisions to which they relate.

10.14 **AMENDMENTS.** Amendments to this Agreement shall be in writing and shall be made only with the mutual written consent of all of the parties to this Agreement.

Executed on _____, 2010, at _____, California.

[Signatures on following page]

City of Morro Bay

Consultant

By: _____
Janice Peters, Mayor

R. Dennis Delzeit

Attest:

By: _____
Bridgett Bauer, City Clerk

Cayucos Sanitary District

By: _____
Robert Enns, President

Attest:

By: _____
Lewis Brookings
Clerk to the Board

APPROVED AS TO CONTENT:

By: _____
Bruce Keogh
Wastewater Division Manager

By: _____
Bill Callahan
Cayucos Sanitary District General Manager

APPROVED AS TO FORM:

By: _____
Robert Schultz
Morro Bay City Attorney

By: _____
Timothy J. Carmel
Cayucos Sanitary District General Counsel

EXHIBIT A
SCOPE OF WORK

EXHIBIT B
PAYMENT SCHEDULE

EXHIBIT C
INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the Work, Consultant will maintain insurance in conformance with the requirements set forth below. Consultant will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Consultant agrees to amend, supplement or endorse the existing coverage to do so. Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City/District in excess of the limits and coverage required in this agreement and which is applicable to a given loss, will be available to City/District.

Consultant shall provide the following types and amounts of insurance:

Commercial General Liability Insurance using Insurance Services Office “Commercial General Liability” policy from CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than \$1,000,000 per occurrence.

Business Auto Coverage on ISO Business Auto Coverage from CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits are subject to review, but in no event to be less than \$1,000,000 per accident. If Consultant owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Consultant or Consultant’s employees will use personal autos in any way on this project, Consultant shall provide evidence of personal auto liability coverage for each such person.

Property Damage Insurance in an amount of not less than \$1,000,000 for damage to the property of each person on account of any one occurrence.

Workers Compensation on a state-approved policy form providing statutory benefits as required by law with employer’s liability limits no less than \$1,000,000 per accident or disease.

Excess or Umbrella Liability Insurance (Over Primary) if used to meet limit requirements, shall provide coverage at least as broad as specified for the underlying

coverages. Any such coverage provided under an umbrella liability policy shall include a drop down provision providing primary coverage above a maximum \$25,000 self-insured retention for liability not covered by primary but covered by the umbrella. Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. Policy shall contain a provision obligating insurer at the time insured's liability is determined, not requiring actual payment by the insured first. There shall be no cross liability exclusion precluding coverage for claims or suits by one insured against another. Coverage shall be applicable to City/District for injury to employees of Consultant, subContractors or others involved in the Work. The scope of coverage provided is subject to approval of City/District following receipt of proof of insurance as required herein. Limits are subject to review but in no event less than \$1,000,000 per occurrence.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designated to protect against acts, errors or omissions of the Consultant and "Covered Professional Services" as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

Insurance procured pursuant to these requirements shall be written by insurer that are admitted carriers in the state California and with an A.M. Bests rating of A- or better and a minimum financial size VII.

General conditions pertaining to provision of insurance coverage by Consultant. Consultant and City/District agree to the following with respect to insurance provided by Consultant:

1. Consultant agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds the City of Morro Bay and the Cayucos Sanitary District, and their officials employees and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Consultant also agrees to require all Consultants, and subContractors to do likewise.
2. All insurance coverage and limits provided by Consultant and available or applicable to this agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City/District or its operations limits the application of such insurance coverage.
3. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City/District and approved of in writing.

4. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any Consultant or subcontractor.
5. All coverage types and limits required are subject to approval, modification and additional requirements by the City/District, as the need arises. Consultant shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City/District's protection without City/District's prior written consent.
6. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Consultant's general liability policy, shall be delivered to City/District at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, City/District has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City/District shall be charged to and promptly paid by Consultant or deducted from sums due Consultant, at City/District's option.
7. Certificate(s) are to reflect that the insurer will provide 30 days notice to City/District of any cancellation of coverage. Consultant agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, or that any party will "endeavor" (as opposed to being required) to comply with the requirements of the certificate.
8. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Consultant or any subContractor, is intended to apply first and on a primary, noncontributing basis in relation to any other insurance or self insurance available to City/District.
9. Consultant agrees to ensure that subContractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with subContractors and others engaged in the project will be submitted to City/District for review.
10. Consultant agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any Consultant, subContractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to City/District. If

Consultant's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City/District. At the time the City/District shall review options with the Consultant, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.

11. The City/District reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City will negotiate additional compensation proportional to the increase benefit to City/District.
12. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.
13. Consultant acknowledges and agrees that any actual or alleged failure on the part of City/District to inform Consultant of non-compliance with any insurance requirements in no way imposes any additional obligations on City/District nor does it waive any rights hereunder in this or any other regard.
14. Consultant will renew the required coverage annually as long as City/District, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies whether or not the agreement is canceled or terminated for any reason. Termination of this obligation is not effective until City/District executes a written statement to that effect.
15. Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Consultant's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to City/District within five days of the expiration of the coverages.
16. The provisions of any workers' compensation or similar act will not limit the obligations of Consultant under this agreement. Consultant expressly agrees not to use any statutory immunity defenses under such laws with respect to City/District, its employees, officials and agents.
17. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a

given issue, and is not intended by any party or insured to be limiting or all-inclusive.

18. These insurance requirements are intended to be separate and distinct from any other provision in this agreement and are intended by the parties here to be interpreted as such.
19. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.
20. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City/District or Consultant for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City/District. It is not the intent of City/District to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City/District for payment of premiums or other amounts with respect thereto.
21. Consultant agrees to provide immediate notice to City/District of any claim or loss against Consultant arising out of the work performed under this agreement. City/District assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City/District.

EXHIBIT D

CITY'S REQUEST FOR PROPOSAL

EXHIBIT E
CONSULTANT'S PROPOSAL

