

PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT is made and entered into, to be effective the 22nd day of November, 2016, by and between the CITY OF GARDEN GROVE, a municipal corporation, hereinafter referred to as "City," and CIVILTEC ENGINEERING INC., a California Corporation, hereinafter referred to as "Consultant." City and Consultant are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, City has determined that there is a need for on-call construction inspection services for the upcoming Water Infrastructure Rehabilitation Projects (the "Project");

WHEREAS, City desires to retain Consultant to provide such services; and

WHEREAS, Consultant is qualified by virtue of experience, training, education, and expertise to perform the professional services required by this Agreement and has agreed to provide such services.

NOW, THEREFORE, in consideration of the promises and mutual benefits which will result to the Parties in carrying out the terms of this Agreement, it is mutually agreed as follows:

AGREEMENT

I. SCOPE OF WORK

City agrees to retain Consultant, and Consultant agrees to perform the services set forth in the Scope of Services described in Exhibit "A", attached hereto and by reference made a part of this Agreement (hereinafter the "Services"). Consultant agrees that its provision of Services under this Agreement shall be within accepted standards within the profession, and its specialized services shall be in accordance with customary and usual practices in Consultant's profession. By executing this Agreement, Consultant warrants that it has carefully considered how the work should be performed and fully understands the facilities, difficulties, and restrictions attending performance of the work under this Agreement.

II. TERM

This Agreement shall be effective as of the date first set forth above. This Agreement shall commence upon the effective date of this Agreement, and shall remain and continue in effect until tasks described herein are completed unless otherwise terminated prior to this date pursuant to the provisions of this Agreement.

III. FEES

A. Accounting Records

Consultant shall keep complete, accurate, and detailed accounts of all time, costs, expenses, and expenditures pertaining in any way to this Agreement. Upon request of City, Consultant shall provide City with all records pertaining to this Agreement.

B. Total Payment

The Parties agree that Consultant shall bill for the Services provided by Consultant to City on an hourly basis and in accordance with the charges and fee schedule attached as Exhibit "B," except as otherwise set forth herein, provided compensation under this Agreement shall not exceed \$151,705.00.

C. Monthly Payment

1. City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment, as set forth in Exhibit "B," attached hereto based upon actual time spent providing the services outlined in this Agreement. Consultant shall submit to City monthly or periodic statements requesting payment. Such requests shall be based upon the amount and value of the Services performed by Consultant under this Agreement and shall be prepared by Consultant and accompanied by such reporting data including a detailed breakdown of all costs incurred and tasks performed during the period covered by the statement, as may be required by City. Invoices shall be submitted on or about the first business day of each month, for Services provided the prior month. City shall use reasonable efforts to make payment to Consultant within forty-five (45) days after the date of the invoice or as soon thereafter as reasonably practicable. If City determines that the approved written Scope of Work under this Agreement or any specified task hereunder is incomplete, the City Manager, or his or her designee, shall notify Consultant and may withhold the payment amount for the unfinished work accordingly.

2. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement, which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager.

IV. TERMINATION

City may terminate this Agreement for its convenience at any time, with or without cause, in whole or in part, upon giving Consultant thirty (30) days written notice. Upon said notice, City shall pay Consultant its allowable costs incurred to date of termination and those allowable costs determined by City to be reasonably necessary to effect such termination. Upon receipt of said notice, Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If City terminates a portion of this Agreement, such termination shall not make void or invalidate the remainder of this Agreement. Thereafter, Consultant shall have no further claims against City under this Agreement. Upon termination of the Agreement pursuant to this Section, Consultant will submit an invoice to City pursuant to Section 3. Consultant may terminate this Agreement, with or without cause, upon thirty (30) days written notice to City.

V. DEFAULT OF CONSULTANT

A. Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event Consultant is in default, except as provided for in Section XXI, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate the Agreement immediately upon written notice to Consultant.

B. If the City Manager, or his/her designee, determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, it shall notify Consultant in writing of such default. Consultant shall have ten (10) days to cure the default by rendering a satisfactory performance. In the event Consultant fails to cure its default within such period of time, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice of any remedy to which City may be entitled at law, in equity or under this Agreement. Consultant shall be liable for any and all reasonable costs incurred by City as a result of such default including, but not limited to, reprourement costs of the same or similar services defaulted by Consultant under this Agreement.

VI. LEGAL RELATIONSHIP BETWEEN THE PARTIES

A. The legal relationship between the Parties hereto is that of an independent contractor, and nothing herein shall be deemed to make Consultant a City employee. During the performance of this Agreement, Consultant and its officers, employees, and agents shall act in an independent capacity and shall not act as City officers, employees, or agents. The personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of its officers, employees, or agents, except as set

forth in this Agreement. Consultant, its officers, employees, or agents shall not maintain an office or any other type of fixed business location at City's offices.

B. Consultant shall not incur or have the power to incur any debt, obligation, or liability against City, or bind City in any manner.

C. No City benefits shall be available to Consultant, its officers, employees, or agents in connection with any performance under this Agreement. Except for fees paid to Consultant as provided for in this Agreement, City shall not pay salaries, wages, or other compensation to Consultant for the performance of Services under this Agreement. City shall not be liable for compensation or indemnification to Consultant, its officers, employees, or agents for injury or sickness arising out of performing Services hereunder. If for any reason, any court or governmental agency determines that City has financial obligations, other than pursuant to Section III herein, of any nature related to salary, taxes, or benefits of Consultant's officers, employees, servants, representatives, subcontractors, or agents, Consultant shall indemnify City for all such financial obligations.

VII. MODIFICATIONS AND AMENDMENTS TO AGREEMENT

No modification or amendment of this Agreement or any of the provisions hereof shall be effective for any purpose unless set forth in writing signed by duly authorized representatives of both Parties.

VIII. ASSIGNMENTS AND SUBCONTRACTING

The experience, knowledge, capability, and reputation of Consultant, its principals and employees were a substantial inducement for City to enter into this Agreement. Consultant may not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, voluntarily or by operation of law, without the prior written approval of City. Except as otherwise expressly provided in the Scope of Services (Exhibit "A"), Consultant shall not contract with any other person or entity to perform the Services required without written approval of City. If Consultant is permitted to subcontract any part of this Agreement by City, Consultant shall be responsible to City for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationships between any subcontractor and City. All persons engaged in the work will be considered employees of Consultant. City will deal directly with and will make all payments to Consultant as provided for in Section III.

IX. SUCCESSORS IN INTEREST

This Agreement shall be binding upon and inure to the benefit of the Parties' successors and assignees.

X. THIRD PARTY BENEFICIARY

Except as may be specifically provided for herein, nothing contained in this Agreement is intended to confer, nor shall this Agreement be construed as conferring, any rights, including, without limitation, any rights as third-party beneficiary or otherwise, upon any entity or person not a party hereto.

XI. INSURANCE

A. Insurance Required

Consultant shall procure and maintain the insurance described herein for the duration of this Agreement, or as otherwise specified herein, against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by Consultant, its agents, representatives, or employees. Insurance required herein shall be provided by a reputable insurance company in good standing with the State of California and having a minimum A.M. Best's Guide Rating of A-, Class VII or better. City will require Consultant to substitute any insurer whose rating drops below the levels specified herein. Such substitution shall occur within twenty (20) days of written notice to Consultant by City.

Consultant shall provide to City certificates of insurance in a form acceptable to City indicating the deductible or self-retention amounts and the expiration date of the policy, and shall provide renewal certificates not less than ten (10) days prior to the expiration of each policy term. The certificates of insurance shall specifically identify this Agreement and shall contain express conditions that City is to be given at least thirty (30) days advance written notice of any material modification in or termination of insurance. Such insurance shall be primary to and not contributing with any other insurance maintained by City of Garden Grove and/or its respective councilmembers, officers, officials, employees, agents, and volunteers. The insurance shall name the City of Garden Grove and its respective councilmembers, officers, officials, employees, agents and volunteers as additional insureds by endorsement to the insurance policies. Except as expressly authorized herein, all insurance shall be on an occurrence basis.

1. Errors and Omissions Insurance

Consultant shall maintain in full force and effect throughout the term of this Agreement, standard industry form professional negligence errors and omissions insurance coverage in an amount of not less than One Million Dollars (\$1,000,000.00) per claim or per occurrence and Two Million Dollars (\$2,000,000.00) aggregate, in accordance with the provisions of this Section. If the policy of insurance is written on a "claims made" basis, the policy shall be continued in full force and effect at all times during the term of this Agreement, and for a period of three (3) years from the date of the completion of the Services provided hereunder. In the event of termination of the policy during this period, Consultant shall obtain continuing insurance coverage for the

prior acts or omissions of Consultant during the course of performing Services under the terms of this Agreement. The coverage shall be evidenced by either a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the present or new carrier.

In the event the policy of insurance is written on an "occurrence" basis, the policy shall be continued in full force and effect during the term of this Agreement, or until completion of the Services provided for in this Agreement, whichever is later. In the event of termination of the policy during this period, new coverage shall be obtained for the required period to ensure coverage for the prior acts of Consultant during the course of performing the Services under the terms of this Agreement.

2. Workers' Compensation

Consultant shall obtain and maintain, during the term of this Agreement, Workers' Compensation Employer's Liability Insurance in the statutory amount as required by state law. Such worker's compensation insurance shall be endorsed to provide for a waiver of subrogation against City of Garden Grove, its respective councilmembers, officers, officials, agents, employees, and volunteers.

B. Minimum Limits of Insurance

Consultant shall maintain limits no less than:

1. General Liability:

\$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit. **(claims made and modified occurrence policies are not acceptable)**; Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

2. Automobile Liability:

\$1,000,000 per accident for bodily injury combined single limit. **(claims made and modified occurrence policies are not acceptable)**; Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

3. Employer Liability:

\$1,000,000 per accident for bodily injury or disease. (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

C. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the Risk Manager. At the option of the Risk Manager, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City of Garden Grove, and its councilmembers, officials, officers, employees, agents and volunteers, or Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses, or Consultant shall otherwise provide an alternative satisfactory to the Risk Manager.

D. Other Insurance Provisions

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

1. The City of Garden Grove and its respective councilmembers, officers, officials, employees, agents and volunteers are to be covered as insureds with respect to: liability arising out of activities and work performed by or on behalf of Consultant; products and completed operations of Consultant; premises owned occupied or used by Consultant; and automobiles owned, leased, hired, or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Garden Grove Sanitary District, the City of Garden Grove, the Garden Grove Agency for Community Development and their respective councilmembers, board members, officers, officials, employees, agents, and volunteers.

2. For any claims related to this Agreement, Consultant's coverage shall be primary insurance as respects the City and its councilmembers, officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by Garden Grove Sanitary District, the City of Garden Grove, and their respective councilmembers, board members, officers, officials, employees, agents, and volunteers shall be in excess of Consultant's insurance and shall not contribute with it.

3. Any failure to comply with reporting or other provisions of the policies, including breaches of warranties shall not affect coverage provided to the City of Garden Grove and its respective councilmembers, board members, officers, officials, employees, agents, and volunteers.

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

5. Each insurance policy required by this Section shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, reduced in coverage or in limits, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been provided to City.

6. Consultant agrees to ensure that subcontractors, and any other parties involved with the project who are 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 for review.

E. Verification of Coverage

Consultant shall furnish City with original endorsements effecting coverage required by this Agreement. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by City before work commences.

If CONSULTANT maintains higher insurance limits than the minimums shown above, CONSULTANT shall provide coverage for the higher insurance limits otherwise maintained by the CONSULTANT

XII. INDEMNITY

A. Indemnification

To the fullest extent permitted by law, Consultant shall indemnify, defend (at Consultant's sole cost and expense), protect and hold harmless the City of Garden Grove and its respective councilmembers, officers, officials, employees, agents, and volunteers, (individually "Indemnified Party"; collectively "Indemnified Parties") against any and all liability, claims, judgments, costs, and demands (collectively, "Claims"), including Claims arising from injuries or death of persons (Consultant's employees included) and damage to property, which Claims arise out of, pertain to, or are related to the negligence, recklessness or willful misconduct of Consultant, its agents, employees, or subcontractors, or arise from Consultant's negligent, reckless or willful performance of or failure to perform any term, provision, covenant or condition of this Agreement ("Indemnified Claims"), but Consultant's liability for Indemnified Claims shall be reduced to the extent such Claims arise from the negligence, recklessness or willful misconduct of the City of Garden Grove and its councilmembers, officers, directors, officials, employees, or agents.

Consultant shall reimburse the Indemnified Parties for any reasonable expenditures, including reasonable attorneys' fees, expert fees, litigation costs and expenses that each Indemnified Party may incur by reason of Indemnified Claims. Upon request by an Indemnified Party, Consultant will defend with legal counsel

reasonably acceptable to the Indemnified Party all Claims against the Indemnified Party that may arise out of, pertain to, or relate to Indemnified Claims, whether or not Consultant is named as a party to the Claim proceeding. The determination whether a Claim may "arise out of, pertain to, or relate to" Indemnified Claims shall be based on the allegations made in the Claim and the facts known or subsequently discovered by the parties. In the event a final judgment, arbitration award, order, settlement, or other final resolution expressly determines that Claims did not arise out of, pertain to, nor relate to the negligence, recklessness or willful misconduct of Consultant to any extent, then City will reimburse Consultant for the reasonable costs of defending the Indemnified Parties against such Claims, except City shall not reimburse Consultant for attorneys' fees, expert fees, litigation costs and expenses as were incurred defending Consultant or any parties other than Indemnified Parties against such Claims.

Consultant's liability for indemnification hereunder is in addition to any liability Consultant may have to City for a breach by Consultant of any of the provisions of this Agreement. Under no circumstances shall the insurance requirements and limits set forth in this Agreement be construed to limit Consultant's indemnification obligation or other liability hereunder. The terms of this Agreement are contractual and the result of negotiation between the parties hereto. Accordingly, any rule of construction of contracts (including, without limitation, California Civil Code Section 1654) that ambiguities are to be construed against the drafting party, shall not be employed in the interpretation of this Agreement.

Consultant's indemnification obligation hereunder shall survive the expiration or earlier termination of this Agreement until all actions against the Indemnified Parties for such matters indemnified hereunder are fully and finally barred by the applicable statute of limitations or, if an action is timely filed, until such action is final. This provision is intended for the benefit of third party Indemnified Parties not otherwise a party to this Agreement.

XIII. COMPLIANCE WITH LAW

A. Consultant certifies by the execution of this Agreement the following: that it pays employees not less than the minimum wage as defined by law and that it does not discriminate in its employment with regard to race, color, religion, sex, age, marital status, ancestry, or national origin; that Consultant is in compliance with all federal and state laws, local directives, and executive orders regarding non-discrimination in employment; and that Consultant agrees to demonstrate positively and aggressively the principle of equal opportunity in employment.

B. Consultant shall keep itself informed of State and Federal laws and regulations, which in any manner affect those employed by it or in any way affect the performance of its Services pursuant to this Agreement. Consultant shall at all times observe and comply with all such laws and regulations. The City of Garden Grove and its respective councilmembers, officers, employees, and agents shall not be liable at law or in equity for Consultant's failure to comply with such laws and regulations.

XIV. LICENSES AND QUALIFICATIONS

Consultant represents and warrants to City that it has obtained all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval, which is legally required for Consultant to perform Services under this Agreement.

XV. CONFIDENTIALITY AND OWNERSHIP OF DOCUMENTS

A. All information gained by Consultant in the performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents or subcontractors shall not without written authorization from the City Manager or unless requested by City's Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the Services performed under this Agreement or relating to any project or property location within City. Response to a subpoena or court order shall not be considered "voluntary" for the purposes of this Section, provided Consultant gives City proper notice of such subpoena or court order. Consultant shall properly notify City of any summons, complaints, subpoenas, notice of deposition, request for documents, interrogatories, requests for admissions or other discovery requests received by Consultant, its officers, employees, agents or subcontractors, related to Services performed pursuant to this Agreement. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding, the cost of which shall be borne by City. Consultant agrees to cooperate fully with City and to provide City with an opportunity to review and respond to discovery requests provided by Consultant, arising out of Services performed pursuant to this Agreement. However, City's right to review any such request or response does not imply or mean City has the right to control, direct, write or rewrite said response.

B. The documents and study materials for this project shall become the property of City upon the termination or completion of the work. Consultant agrees to furnish to City copies of all memoranda, correspondence, computation, and study materials in its files pertaining to the work described in this Agreement, which is requested in writing by City.

XVI. INTERPRETED UNDER LAWS OF THE STATE OF CALIFORNIA

This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be

employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof. Venue for any litigation concerning this Agreement shall be in the Superior Court for the County of Orange, California.

XVII. ATTORNEYS' FEES

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees, costs, and necessary disbursements in addition to any other relief to which they may be entitled.

XVIII. WAIVER

No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought. Any waiver by the Parties of any default or breach of any covenant, condition, or term contained in this Agreement, shall not be construed to be a waiver of any subsequent or other default or breach, nor shall failure by the Parties to require exact, full, and complete compliance with any of the covenants, conditions, or terms contained in this Agreement be construed as changing the terms of this Agreement in any manner or preventing the Parties from enforcing the full provisions hereof.

XIX. NOTICES

All notices or other communications required or permitted hereunder shall be in writing and shall be personally delivered, sent by registered or certified mail, postage prepaid, return receipt requested, or delivered or sent by electronic transmission, and shall be deemed received upon the earlier of: (i) the date of delivery to the address of the person to receive such notice if delivered personally or by messenger or overnight courier; (ii) three (3) business days after the date of posting by the United States Post Office if by mail; or (iii) when sent if given by electronic transmission. Any notice, request, demand, direction, or other communication sent by electronic transmission must be confirmed within forty-eight (48) hours by letter mailed or delivered. Notices or other communications shall be addressed as follows:

To City: City of Garden Grove
13802 Newhope Street
Garden Grove, CA 92843
Attention: Samuel Kim, P.E.

To Consultant: Civiltec Engineering Inc.
118 West Lime Avenue
Monrovia, CA 91016
Attention: Shem Hawes, P.E.

Either Party may, by written notice to the other, designate a different address, which shall be substituted for that specified above.

XX. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and supersedes all prior negotiations, arrangements, representations, and understandings, if any, made by or among the parties with respect to the subject matter hereof. No amendments or other modifications of this Agreement shall be binding unless executed in writing by both parties hereto, or their respective successors, assigns, or grantees.

XXI. FORCE MAJEURE

If either party shall be delayed or prevented from the performance of any service under this Agreement by reason of acts of God, strikes, lockouts, labor troubles, restrictive governmental laws or regulations or other cause, without fault and beyond the reasonable control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of delay, and the period for performance of any such act shall be extended for a period equivalent to the period of such delay.

XXII. TIME IS OF THE ESSENCE

The Parties agree that time is of the essence of this Agreement with respect to the deadlines set forth herein.

XXIII. SEVERABILITY

Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be invalid under the applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of that provision, or the remaining provisions of this Agreement.

XXIV. PROHIBITED INTERESTS

Consultant covenants that, for the term of this Agreement, no Board Member, official, officer or employee of City during his/her tenure in office/employment, or for one (1) year thereafter, shall have any interest, direct or indirect, in this Agreement or the proceeds thereof. Consultant warrants that it has not given or paid and will not give or pay any third party money or other consideration for obtaining this Agreement.

XXV. SCOPE CHANGES

In the event of a change in the scope of the proposed project, as requested by City, the Parties hereto shall execute an addendum to this Agreement, setting forth, with particularity, all terms of the new Agreement, including but not limited to any additional Consultant's fees.

XXVI. NON-LIABILITY OF CITY OFFICERS AND EMPLOYEES

No officer or employee of the City or City of Garden Grove shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or its successor, or for breach of any obligation of the terms of this Agreement.

XXVII. AGREEMENT EXECUTION AUTHORIZATION

Each of the undersigned represents and warrants that he or she is duly authorized to execute and deliver this Agreement and that such execution is binding upon the entity for which he or she is executing this Agreement.

XXVIII. RECITALS

The Recitals above are hereby incorporated into this section as though fully set forth herein and each party acknowledges and agrees that such Party is bound, for purposes of this Agreement, by the same.

IN WITNESS WHEREOF, this Agreement has been executed in the name of City, by its officers thereunto duly authorized, and Consultant as of the day and year first above written.

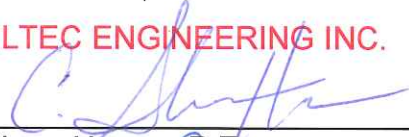
CITY OF GARDEN GROVE


By: _____
Scott C. Stiles
City Manager

ATTEST:

By: _____
Kathy Bailor
City Clerk

CIVILTEC ENGINEERING INC.

By: 
C. Shem Hawes, P.E.

Principal
By: 
Diana Occhipinti
Secretary

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a Partnership, Statement of Partnership must be submitted to CITY.

APPROVED AS TO FORM:

Woodruff, Spradlin & Smart

By: _____
Omar Sandoval
City Attorney

EXHIBIT A

SCOPE OF SERVICES

SCOPE OF WORK

Civiltec has divided the project into several tasks to assist in orchestrating the efforts of overall project management, support services, agency coordination, contractor compliance with the contract, and completion and closeout of the project. The following scope of work contains a general outline of the required tasks.

Construction Management and Observation Services

- A. **Records Review.** *Civiltec* will obtain and review plans, documents, records, and data for the redevelopment of Well No. 21. We are completely familiar with and have extensive knowledge of the requirements for the interconnect project.
- B. **Preconstruction Meeting.** *Civiltec* will arrange and conduct a preconstruction meeting, under supervision of the construction manager, for both projects. We will distribute an agenda and minutes of meeting to the project team. The project team will also video record the site prior to construction and post construction and provide the DVD to the City. We will document the condition of the existing roadways to ensure that any existing damage is well documented. We will perform this same review at the end of the construction project and document any changes to streets and areas adjacent.
- C. **Job Meetings.** *Civiltec* will arrange and conduct regular and weekly job site meetings with the City, observer, contractor, and participating outside consultants and agencies. We will coordinate a central conference call number so that all project participants can be involved in the meetings. Our construction manager will be available through this conference call number. We will develop an agenda of issues to be discussed and minutes of the meeting outlining action items for the contractor and each project team member. We believe these weekly jobsite meetings keep the contractor focused on the tasks at hand and upcoming tasks.
- D. **Master Schedule.** *Civiltec* will maintain the master construction schedule, continually develop methods to expedite work progress, monitor the contractor's progress with work in relation to the schedule, and provide solutions, as necessary. We will notify all parties involved of critical path issues as they arise. We will ensure the contractor issues monthly schedule updates and ensure the schedule reflects actual work performed. We will tie the progress schedule to the expenditures/invoicing by the contractor on a monthly basis to ensure the contract and budget controls are in compliance.
- E. **Submittals and Shop Drawings.** *Civiltec* will obtain, manage, review, and distribute shop drawings, manufacturer's submittals, and safety instructions on each phase of the work. We will continually track progress of submittals and approvals to ensure contractual compliance and issue monthly reports on the status of submittals. It is assumed that all contractor submittals will be distributed to the appropriate parties electronically.
- F. **Coordination.** *Civiltec* will coordinate multiple contractor's interfacing on the project in the same time frame; coordinate construction activities with adjacent land owners, agencies, utility companies, the public, and parties utilizing the site and adjacent streets; coordinate contractor's requirements for supplemental water; document contractor's relations with any outside parties; observe and record the physical condition of any temporary site security measures provided by the contractor; provide and coordinate the need for field geotechnical, geologic, and technical personnel to conduct excavation observations, concrete cylinder break tests, and compaction testing at the project site; and coordinate laboratory services for soil compaction, concrete break tests and for rebar sample tests and report all results of testing.
- G. **Observation.** *Civiltec* will provide on-going, full-time observation of construction work identified herein to ensure quality of construction and adherence to specifications, drawings, California

Environmental Quality Act documents, approved Stormwater Pollution Prevention Plans, and submittals. We will monitor and ensure the contractor's compliance with all requirements of the project; document daily work progress with written logs, digital photographs, and video logs as well as monitor all major equipment deliveries in accordance with approved shop drawings; maintain and continually organize the required folders and binders during construction so all field documents are readily available to the City; provide weekly summary reports to the City and project team documenting progress that will include daily reports, test results, and an updated schedule; observe the contractor for compliance with site and job safety requirements; and inform the City of any concerns or problems concerning site or job safety observed. *Civiltec* has the ability to provide off-site observation, as necessary, to ensure quality control and compliance with submittals, as requested by the City. All of the observer duties listed in the September 7, 2016 Request for Proposal will be accomplished. We developed observer hours based on an approximate 80 working day contract time that equates to 640 working hours.

- H. **RFIs and Changed Conditions.** *Civiltec* will manage and review RFIs and change orders submitted by the contractor and submit RFIs and requests for change orders with documentation and responses to the City for review and consideration, and implement changes, as required and directed, to the project team.
- I. **Pay Estimates.** *Civiltec* will obtain, verify, analyze, and process contractor's request for monthly progress pay estimates and the final pay request. We will also obtain conditional and unconditional lien releases from contractors and receive and provide certified payroll to the City as required for compliance with the contract.
- J. **Record Drawings.** *Civiltec* will maintain the official construction record drawings indicating any changes in the design, materials, dimensions, and details. This work will be done in concert with the contractor. The redline drawings will be issued to the City for production of the final record drawings. *Civiltec* will prepare the as-built drawings in ACAD for final approval by the City.
- K. **Final Observation.** *Civiltec* will arrange and conduct the start-up testing, pre-final observation, and final observation of work placed into service to be witnessed by the project team; ensure all operational manuals and warranties are reviewed and approved; prepare a "punch list" of all items to be completed by the contractor to obtain final completion; and ensure items are completed.
- L. **Project Closeout.** *Civiltec* will resolve all outstanding payment issues and recommend final payment to contractor. We will work with the City to prepare and record the Notice of Completion; prepare and provide a completion report to the City consisting of a discussion of construction activities, final schedule, contractor evaluation, photographs, reports, test results, change orders, and miscellaneous documentation; and meet with the City to close out the project.

EXHIBIT B

SCHEDULE OF PAYMENT

Celebrating
30^{years}
1986 - 2016

**CIVILTEC**
engineering inc.

Civil, Water, Wastewater, Drainage and Transportation Engineering
Construction Management • Surveying
California • Arizona

October 20, 2016

City of Garden Grove
Water and Sanitary Sewer
13802 Newhope Street
Garden Grove, CA 92843

Attention: Samuel Kim, PE, Project Engineer

Subject: Proposal for On-Call Construction Inspection Services for
Water Infrastructure Rehabilitation Projects

Dear Mr. Kim:

Civiltec engineering, inc. (Civiltec) proposes to provide the Scope of Services per our Proposal dated September 29, 2016 for the above mentioned project on a time and material basis **not to exceed \$101,087.00 and \$50,618.00 for the respective MWD Interconnect (Project No. 7369 and Well 21 Redevelopment projects** without prior authorization from the City of Garden Grove. **These projects together total \$151,705.00.** Project durations exceeding the established 80 working day time frame will be billed on a time and materials basis. The estimated cost per day to support construction with observation and construction management services is approximately \$1,032.00.

The project budget and hours worksheet is included as an attachment. The City will be responsible for any permit fees that are needed. Please contact me with any questions you may have. We are available to discuss this proposal at your convenience. This cost proposal is valid for a period of 90 days.

Sincerely,



C. Shem Hawes, PE
Principal, Senior Engineer

CSH:cs:dlo

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CITY OF GARDEN GROVE

Construction Management and Inspection Services for the
MWD Interconnect (Project No. 7369) Project

PROJECT BUDGET ESTIMATE

DATE: 20-Oct-16

| | HOURS BY SrE | HOURS BY CM | HOURS BY SE | HOURS BY D | HOURS BY RO | HOURS BY AA | TOTAL BUDGET |
|--|-----------------|-----------------|------------------|-----------------|------------------|-----------------|-------------------|
| CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES | | | | | | | |
| A | 1 | 1 | 4 | | | | \$ 1,215 |
| B | | 6 | | | | | \$ 1,074 |
| C | | 22 | | | | 4 | \$ 4,474 |
| D | | 10 | | | | | \$ 1,879 |
| E | | 9 | 45 | | | 6 | \$ 8,546 |
| F | | 9 | | | | | \$ 1,611 |
| G | | 12 | | | 597 | 18 | \$ 66,129 |
| H | 3 | 15 | 30 | | | | \$ 7,606 |
| I | | 1 | 12 | | | | \$ 1,998 |
| J | | 3 | 6 | 24 | | | \$ 3,669 |
| K | | 3 | 6 | | | | \$ 1,402 |
| L | 1 | 3 | 4 | | | | \$ 1,484 |
| | 6 | 95 | 107 | 24 | 597 | 28 | 858 |
| | HOURS | | | | | | |
| | BUDGET | \$ 1,193 | \$ 17,181 | \$ 2,267 | \$ 62,639 | \$ 2,125 | \$ 112 |
| | | | | | | | \$ 101,087 |

TOTAL BUDGET

CIVILTEC LABOR (MINUS EXPENSES & SUBCONSULTANTS \$ 100,975.27

CIVILTEC MANHOURS 858

CIVILTEC COST PER MANHOUR \$ 117.75

PE= Principal Engineer David Byrum RO= Resident Observer
 SrE= Senior Engineer Shem Hawes AA= Admin Assistant
 CM= Construction Manager Greg Ripperger D= Drafter
 SE= Staff Engineer

Mark Serna
 Lindsey Ly
 Jenny Tsan

CITY OF GARDEN GROVE

Construction Management and Inspection Services for the
Well No. 21 Redevelopment Project

PROJECT BUDGET ESTIMATE
DATE: 20-Oct-16

| | HOURS BY SFE | HOURS BY CM | HOURS BY SE | HOURS BY D | HOURS BY RO | HOURS BY AA | TOTAL BUDGET |
|--|-----------------|----------------|----------------|---------------|----------------|----------------|-----------------|
| | \$ 200.00 | \$ 180.00 | \$ 145.00 | \$ 95.00 | \$ 105.00 | \$ 75.00 | |
| CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES | | | | | | | |
| A | 1 | 3 | 4 | | | | \$ 1,484 |
| B | | 6 | | | | | \$ 1,074 |
| C | | 7 | | | 1 | | \$ 1,514 |
| D | | 4 | | | | | \$ 805 |
| E | | 3 | 3 | | 3 | | \$ 1,193 |
| F | | 3 | | | | | \$ 537 |
| G | | 3 | | | 358 | 4 | \$ 38,456 |
| H | 1 | 4 | 6 | | | | \$ 1,969 |
| I | | 1 | 6 | | | | \$ 1,133 |
| J | | | | | | | \$ - |
| K | | 3 | 3 | | | | \$ 969 |
| L | 1 | 3 | 4 | | | | \$ 1,484 |
| | 4 | 42 | 27 | 0 | 358 | 9 | 440 |
| HOURS | | | | | | | |
| BUDGET | \$ 895 | \$ 7,517 | \$ 3,893 | \$ - | \$ 37,583 | \$ 671 | \$ 59 |
| | | | | | | | \$ 50,618 |

TOTAL BUDGET

CIVILTEC LABOR (MINUS EXPENSES & SUBCONSULTANTS \$ 50,558.48

CIVILTEC MANHOURS 440

CIVILTEC COST PER MANHOUR \$ 114.92

PE= Principal Engineer David Byrum
SrE= Senior Engineer Shem Hawes
CM= Construction Manager Greg Ripperger
SE= Staff Engineer

RO= Resident Observer
AA= Admin Assistant
D= Drafter

Mark Serna
Lindsey Ly
Jenny Tsan