



Council Meeting: September 30, 2008

SUBJECT: Award of a Contract for Design of Facility Improvements for the Removal of Sediment from the Oxidation Ponds at the Water Pollution Control Plant (F0808-10)

REPORT IN BRIEF

Approval is requested for the award of a contract in the amount not to exceed \$100,990 to Lee & Ro, Inc. of Walnut Creek to provide the design of infrastructure necessary at the Water Pollution Control Plant (WPCP) to support dredging and processing of oxidation pond sediment as required by the Department of Public Works Engineering Division (Project No. UY-06/04-07).

BACKGROUND

The oxidation ponds at the WPCP provide secondary treatment using the natural action of the sun and wind to facilitate the growth of algae which takes up dissolved waste from the wastewater and then settles to the bottom of the ponds as sediment. No solids have been removed from the ponds since they were originally constructed in the late 1960s. As a result, the collection of the sediment layers along the bottom of the ponds has now reached a depth that affects the efficiency of the treatment process. Work to remove solids will maintain the efficiency of the oxidation process and mitigate the risks associated with an inefficient secondary treatment process.

A pilot project was conducted in 2004 to assess the feasibility and efficiency of a dredge and belt press removal technology and to determine chemical composition of the solids.

A competitive proposal process was conducted in late 2006 to prepare an engineering report to further define the infrastructure necessary for solids removal, evaluate potential disposal scenarios available to the City, and to design the selected improvements. The project as scoped in the Request for Proposals (RFP) was in two phases: 1) an initial engineering report evaluating disposal options and determining what infrastructure improvements were required to accommodate sediment removal construction, and 2) the actual engineering design of those improvements. The first phase award of contract to Lee & Ro, Inc. was made in 2008 and was under the City Manager's contract award authority (under \$50,000).

Alternatives considered in Phase 1 included purchasing the necessary dredging and belt press equipment and accomplishing the removal in-house versus contracting the work out. Disposal of the resulting biosolids off-site or at the Sunnyvale Landfill (monofill area) was also evaluated.

The engineering report recommended a multi-year project for the City to contract with an independent operator to dredge the ponds. The biosolids would be removed from the ponds and piped back to a process area at the WPCP facility, where they would be dewatered with two belt presses and then sun-dried to a solids content suitable for final disposition.

Currently the City disposes of biosolids from the anaerobic digesters via land application (spreading the biosolids over agricultural land). Land application was also considered as a viable solution for the pond sediment. However, several of the counties in California that accept biosolids are currently considering not accepting these materials in the future. Thus, this disposal method may not be available in the future. The engineering report concluded that both the Sunnyvale Landfill and the Kirby Canyon Landfill are available to the City for disposal of pond sediments. Both sites would require additional evaluation and/or preparation prior to use. Both sites will be evaluated during the first year of dredging to determine which is the best option, should the disposal option of land application become unavailable.

DISCUSSION

Lee & Ro, Inc. was selected in a competitive proposal process initiated by a Request for Proposals (RFP) in 2006. The RFP document was directly mailed to eight Bay Area engineering firms and advertised in The Sun on 10/11/2006. In addition, it was broadcast to other prospective consultants through the Onvia Demandstar public procurement network. Eight firms requested RFP documents. Sealed proposals were publicly opened on November 1, 2006. Two responsive proposals were received:

- Lee & Ro, Inc. of Walnut Creek
- Creegan + D'Angelo of San Jose

The two proposals were evaluated by a selection committee composed of WPCP and Public Works Engineering staff. The committee recommended awarding to Lee & Ro, Inc. based on more experience with large WPCP projects and biosolids handling.

As identified earlier in this report, the project was broken into two phases. The first phase award of contract was made under the City Manager's contract

award authority (under \$50,000). The City is now ready to move to the infrastructure improvement design portion of the project.

The scope of work for this project will include the design of a road that will accommodate large trucks on an existing levee through the WPCP to the dewatering site, as well as a hard surface to install the belt presses. Additional electrical service and process water, to be installed at the dewatering site, will also be necessary.

FISCAL IMPACT

Project costs are as follows:

Project design costs	\$100,990
Design contingency (15%)	<u>\$15,000</u>
Total	\$115,990

Funds for the infrastructure design project are available in Capital Project No. 825521 (Pond Sediment Removal). Ongoing funding for the dredging is included in the Long Term Financial Plan for the Wastewater Management Fund.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, in the Council Chambers lobby, in the Office of the City Clerk, at the Library, Senior Center, Community Center and Department of Public Safety; posting the agenda and report on the City's Web site; and making the report available at the Library and the Office of the City Clerk.

RECOMMENDATION

It is recommended that Council:

1. Approve a consultant services agreement, in substantially the same form as the attached draft and in the amount of \$100,990, to Lee & Ro, Inc. to provide infrastructure improvement design services as required at the Water Pollution Control Plant for the Pond Sediment Removal Project, and
2. Approve a design contingency in the amount of \$15,000.

Reviewed by:

Mary J. Bradley, Director of Finance
Prepared by: Pete Gonda, Senior Management Analyst, Finance

Reviewed by:

Marvin Rose
Director of Public Works

Approved by:

Amy Chan
City Manager

Attachments

A. Consultant Services Agreement

DRAFT

**CONSULTANT SERVICES AGREEMENT BETWEEN CITY OF SUNNYVALE
AND LEE & RO, INC. FOR DESIGN AND CONSTRUCTION SUPPORT
SERVICES
FOR POND SEDIMENT REMOVAL AT THE WATER POLLUTION CONTROL
PLANT**

THIS AGREEMENT dated _____ is by and between the CITY OF SUNNYVALE, a municipal corporation ("CITY"), and LEE & RO, INC. ("CONSULTANT").

WHEREAS, CITY desires to secure professional services necessary for investigation, analysis, design, preparation of construction drawings and contract specifications, consultation, services during construction and other services for a project known as Pond Sediment Removal at the Water Pollution Control Plant (Project No. UY-06/04-07); and

WHEREAS, CONSULTANT represents that it, and its sub-consultants, if any, possess the professional qualifications and expertise to provide the required services and are licensed by the State of California to practice engineering in the required disciplines;

NOW, THEREFORE, THE PARTIES ENTER INTO THIS AGREEMENT.

1. Services by CONSULTANT

CONSULTANT shall provide services in accordance with Exhibit "A" entitled "Scope of Work." All exhibits referenced in this Agreement are attached hereto and are incorporated herein by reference. To accomplish that end, CONSULTANT agrees to assign Bob Godwin to this project, to act in the capacity of Project Manager and personally direct the professional services to be provided by CONSULTANT.

Except as specified in this Agreement, CONSULTANT shall furnish all technical and professional services, including labor, material, equipment, transportation, supervision and expertise to perform all operations necessary and required to satisfactorily complete the services required in this Agreement.

2. Notice to Proceed/Completion of Services

- (a) CONSULTANT shall commence services upon receipt of a Notice to Proceed from CITY. Notice shall be deemed to have occurred three (3) calendar days after deposit in the regular course of the United States mail.
- (b) When CITY determines that CONSULTANT has satisfactorily completed the services defined in Exhibit "A," CITY shall give CONSULTANT written Notice of Final Acceptance, and CONSULTANT shall not incur any further costs hereunder. CONSULTANT may request this determination of completion when, in its opinion, it has satisfactorily completed the Scope of Work (Exhibit "A"), and if so requested, CITY shall make this determination within fourteen (14) days of such request.

3. Project Schedule

The Project Schedule is set forth in the attached Exhibit "A-1."

4. Payment of Fees and Expenses

Payments shall be made to CONSULTANT on a monthly basis as set forth in the attached Exhibit "B" entitled "Compensation Schedule." All compensation will be based on monthly billings as provided in Exhibit "B." Compensation will not be due until said detailed billing is submitted to CITY within a reasonable time before payment is expected to allow for normal CITY processing. An estimate of the percent of total completion associated with the various categories of the services shall be furnished by CONSULTANT with said billing. When applicable, copies of pertinent financial records will be included with the submission of billing(s) for all direct reimbursables. Compensation shall not exceed the amounts set forth in Exhibit "B" for each phase. In no event shall the total amount of compensation payable under this agreement exceed the sum of One Hundred Thousand Nine Hundred Ninety and No/100 Dollars (\$100,990.00) unless upon written modification of this Agreement. All invoices, including detailed backup, shall be sent to City of Sunnyvale, attention Accounts Payable, P.O. Box 3707, Sunnyvale, CA 94088-3707.

5. No Assignment of Agreement

CONSULTANT bind themselves, their partners, successors, assigns, executors, and administrators to all covenants of this Agreement. Except as otherwise set forth in this Agreement, no interest in this Agreement or any of the work provided for under this Agreement shall be assigned or transferred, either voluntarily or by operation of law, without the prior written approval of CITY. However, claims for money due to or to become due to CONSULTANT from CITY under this Agreement may be assigned to a bank, trust company or other financial institutions, or to a trustee in bankruptcy, provided that written notice of any such assignment or transfer shall be first furnished to CITY. In case of the death of one or more members of CONSULTANT's firm, the surviving member or members shall complete the services covered by this Agreement. Any such assignment shall not relieve CONSULTANT from any liability under the terms of this Agreement.

6. Consultant is an Independent Contractor

CONSULTANT is not an agent or employee of CITY but is an independent contractor with full rights to manage its employees subject to the requirements of the law. All persons employed by CONSULTANT in connection with this Agreement will be employees of CONSULTANT and not employees of CITY in any respect. CONSULTANT is responsible for obtaining statutory Workers' Compensation coverage for its employees.

7. Consultant's Services to be Approved by a Registered Professional

All reports, costs estimates, plans and other documents which may be submitted or furnished by CONSULTANT shall be approved and signed by a qualified registered professional in the State of California. The title sheet for calculations, specifications and reports, and each sheet of plans, shall bear the professional seal, certificate number, registration classification, expiration date of certificate and signature of the professional responsible for their preparation.

8. Standard of Workmanship

CONSULTANT represents and maintains that it is skilled in the professional calling necessary to perform the services and its duties and obligations, expressed and implied, contained herein, and CITY expressly relies upon CONSULTANT's representations regarding its skills and knowledge. CONSULTANT shall perform such services and duties in conformance to and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California.

The plans, designs, specifications, estimates, calculations reports and other documents furnished under the Scope of Work (Exhibit "A") shall be of a quality acceptable to CITY. The criteria for acceptance of the work provided under this Agreement shall be a product of neat appearance, well-organized, technically and grammatically correct, checked and having the maker and checker identified. The minimum standard of appearance, organization and content of the drawings shall be that used by CITY for similar projects.

9. Responsibility of CONSULTANT

CONSULTANT shall be responsible for the professional quality, technical accuracy and the coordination of the services furnished by it under this Agreement. Neither CITY's review, acceptance nor payment for any of the services required under this Agreement shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement and CONSULTANT shall be and remain liable to CITY in accordance with applicable law for all damages to CITY caused by CONSULTANT's negligent performance of any of the services furnished under this Agreement.

Any acceptance by CITY of plans, specifications, calculations, construction contract documents, reports, diagrams, maps and other material prepared by CONSULTANT shall not, in any respect, absolve CONSULTANT for the responsibility CONSULTANT has in accordance with customary standards of good engineering practice in compliance with applicable Federal, State, County and/or municipal laws, ordinances, regulations, rules and orders.

10. Right of CITY to Inspect Records of CONSULTANT

CITY, through its authorized employees, representatives, or agents, shall have the right, at any and all reasonable times, to audit the books and records including, but not limited to, invoices, vouchers, canceled checks, time cards of CONSULTANT for the purpose of verifying any and all charges made by CONSULTANT in connection with this Agreement. CONSULTANT shall maintain for a minimum period of three (3) years from the date of final payment to CONSULTANT or for any longer period required by law, sufficient books and records in accordance with generally accepted accounting practices to establish the correctness of all charges submitted to CITY by CONSULTANT. Any expenses not so recorded shall be disallowed by CITY.

11. Confidentiality of Material

All ideas, memoranda, specifications, plans, calculations, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for CONSULTANT and all other written information submitted to CONSULTANT in connection with the performance of this Agreement shall be held confidential by CONSULTANT and shall not, without the prior written consent of CITY be used for any purposes other than the performance of the Project services, nor be disclosed to an entity not connected with the performance of the Project services. Nothing furnished to CONSULTANT which is otherwise known to CONSULTANT or is or becomes generally known to the related industry shall be deemed confidential. CONSULTANT shall not use CITY's name, insignia or distribute exploitative publicity pertaining to the services rendered under this Agreement in any magazine, trade paper, newspaper or other medium without the express written consent of CITY.

12. No Pledging of CITY's Credit

Under no circumstances shall CONSULTANT have the authority or power to pledge the credit of CITY or incur any obligation in the name of CITY.

13. Ownership of Material

All material, including information developed on computer(s), which shall include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports and other material developed, collected, prepared or caused to be prepared, under this Agreement shall be the property of CITY, but CONSULTANT may retain and use copies thereof.

CITY shall not be limited, in any way, in its use of said material, at any time, for work associated with Project. However, CONSULTANT shall not be responsible for damages resulting from the use of said material for work other than Project, including, but not limited to the release of this material to third parties for work other than on Project.

14. Hold Harmless/Indemnification

To the extent permitted by law, CONSULTANT agrees to indemnify, defend and hold harmless CITY, its officers and employees from any and all claims, demands, actions, causes of action, losses, damages, liabilities, known or unknown, and all costs and expenses, including reasonable attorneys' fees in connection with any injury or damage to persons or property to the extent arising out of any negligent act, error, omission or negligence of CONSULTANT, its officers, employees, agents, contractor, subcontractors or any officer, agent or employee thereof in relation to CONSULTANT's performance under this Agreement. Such defense and indemnification shall not apply in any instance of and to the extent caused by the sole negligence or willful misconduct of CITY, its officers, employees, agents or representatives.

15. Insurance Requirements

CONSULTANT shall take out and maintain during the life of this Agreement policies of insurance as specified in Exhibit "C" attached and incorporated by reference, and shall provide all certificates and/or endorsements as specified in Exhibit "C."

16. No Third Party Beneficiary

This Agreement shall not be construed or deemed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action hereunder for any cause whatsoever.

17. Notices

All notices required by this Agreement shall be in writing, and shall be personally delivered, sent by first class mail with postage prepaid, or by commercial courier, addressed as follows:

To CITY: Chuck Neumayer, Senior Engineer
Department of Public Works
CITY OF SUNNYVALE
P. O. Box 3707
Sunnyvale, CA 94088-3707

To CONSULTANT: Lee & Ro, Inc.
Attn: Bob Godwin, Project Manager
1777 Oakland Blvd., Suite 220
Walnut Creek, CA 94596

Nothing in this provision shall be construed to prohibit communication by more expedient means, such as by telephone or facsimile transmission, to accomplish timely communication. However, to constitute effective notice, written confirmation of a telephone conversation or an original of a facsimile transmission must be sent by first class mail, by commercial carrier, or hand-delivered. Each party may change the address by written notice in accordance with this paragraph. Notices delivered personally shall be deemed communicated as of actual receipt; mailed notices shall be deemed communicated as of three days after mailing, unless such date is a date on which there is no mail service. In that event communication is deemed to occur on the next mail service day.

18. Waiver

CONSULTANT agrees that waiver by CITY of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement.

19. Amendments

No alterations or changes to the terms of this Agreement shall be valid unless made in writing and signed by both parties.

20. Integrated Agreement

This Agreement embodies the agreement between CITY and CONSULTANT and its terms and conditions. No verbal agreements or conversation with any officer, agent or employee of CITY prior to execution of this Agreement shall affect or modify any of the terms or obligations contained in any documents comprising this Agreement. Any such verbal agreement shall be considered as unofficial information and in no way binding upon CITY.

21. Conflict of Interest

CONSULTANT certifies that to the best of its knowledge, no CITY employee or officer of any public agency interested in this Agreement has any pecuniary interest in the business of CONSULTANT and that no person associated with CONSULTANT has any interest that would conflict in any manner or degree with the performance of this Agreement.

22. California Agreement

This Agreement has been entered into in the State of California and this Agreement shall be governed by California law.

23. Records, Reports and Documentation

CONSULTANT shall maintain complete and accurate records of its operation, including any and all additional records required by CITY in writing. CONSULTANT shall submit to CITY any and all reports concerning its performance under this Agreement that may be requested by CITY in writing. CONSULTANT agrees to assist CITY in meeting CITY's reporting requirements to the state and other agencies with respect to CONSULTANT's work hereunder. All records, reports and documentation relating to the work performed under this Agreement shall be made available to City during the term of this Agreement.

24. Termination of Agreement

If CONSULTANT defaults in the performance of this Agreement, or materially breaches any of its provisions, CITY at its option may terminate this Agreement by giving written notice to CONSULTANT. If CITY fails to pay CONSULTANT, CONSULTANT at its option may terminate this Agreement if the failure is not remedied by CITY within thirty (30) days from the date payment is due.

Without limitation to such rights or remedies as CITY shall otherwise have by law, CITY also shall have the right to terminate this Agreement for any reason upon ten (10) days' written notice to CONSULTANT. In the event of such termination, CONSULTANT shall be compensated in proportion to the percentage of services performed or materials furnished (in relation to the total which would have been performed or furnished) through the date of receipt of notification from CITY to terminate. CONSULTANT shall present CITY with any work product completed at that point in time.

25. Subcontracting

None of the services covered by this Agreement shall be subcontracted without the prior written consent of CITY. Such consent may be issued with notice to proceed if subcontract consultants are listed in the project work plan.

26. Fair Employment

CONSULTANT shall not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, condition of physical handicap, religion, ethnic background or marital status, in violation of state or federal law.

27. Changes

CITY or CONSULTANT may, from time to time, request changes in the terms and conditions of this Agreement. Such changes, which are mutually agreed upon by CITY and CONSULTANT, shall be incorporated in amendments to this Agreement.

28. Other Agreements

This Agreement shall not prevent either Party from entering into similar agreements with others.

29. Severability Clause.

In case any one or more of the provisions contained herein shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions which shall remain in full force and effect.

30. Captions

The captions of the various sections, paragraphs and subparagraphs, of the contract are for convenience only and shall not be considered nor referred to for resolving questions of interpretation.

31. Entire Agreement; Amendment

This writing constitutes the entire agreement between the parties relating to the services to be performed or materials to be furnished hereunder. No modification of this Agreement shall be effective unless and until such modification is evidenced by writing signed by all parties.

32. Miscellaneous

Time shall be of the essence in this Agreement. Failure on the part of either party to enforce any provision of this Agreement shall not be construed as a waiver of the right to compel enforcement of such provision or any other provision. This Agreement shall be governed and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties have executed this Agreement.

ATTEST:

CITY OF SUNNYVALE ("CITY")

By _____
City Clerk

By _____
City Manager

LEE & RO, INC. ("CONSULTANT")

By _____

APPROVED AS TO FORM:

Name/Title

City Attorney

By _____

Name/Title



April 28, 2008

Mr. Chuck Neumayer, P.E.
City of Sunnyvale California
Department of Public Works
456 West Olive Avenue
P.O. Box 3707
Sunnyvale CA 94088-3707

Re: *Consultant Services Fee Proposal for*
WPCP OXIDATION PONDS SEDIMENT REMOVAL DESIGN AND CONSTRUCTION SERVICES
UY-06/04-07

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Dear Mr. Neumayer:

LEE & RO, Inc. (LEE & RO) is pleased to present you with this engineering services proposal for design of the facilities recommended in the January 2008 Dewatering Equipment Siting & Biosolids Disposal Evaluation produced for the City by our firm. A Scope of Work is provided below, followed by an Estimate of Fees and a Schedule to complete the work.

SCOPE OF WORK

Task 2 includes design of a single bid package for construction of the necessary facilities to provide truck access and operate the dewatering system.

Task 2 - Design and Construction Support

With the completion of the Task 1 Final Technical Memorandum (TM) titled "Dewatering Equipment Siting and Biosolids Disposal Evaluation WPCP Oxidation Ponds Sediment Removal", LEE & RO is prepared to proceed with design and construction engineering support services to implement the TM's recommended option. These services are necessary so an independent contractor, selected by the City, can successfully dewater, remove, and dispose of biosolids located in the City's treatment pond system. We anticipate that this biosolids removal operation will proceed over a fifteen year period and improvements will be designed with an appropriate service life.

Our scope of work is based upon constructing the following capital improvements:

- Design of TM recommended Option 1 for the contractor's entrance and access
- Levee improvements and soil improvements in the north sludge lagoon, per the geotechnical engineer's recommendations
- Paving of Contractor access along the south and east levee to the north lagoon
- Paving of the north lagoon for temporary installation of sludge dewatering equipment, to be installed by an independent contractor (refer to Task 3)
- Upgraded electrical and water utility systems for use by the independent dewatering contractor
- New gate entrance on Carl Road to permit access for dewatering contractor's sludge hauling trucks

Task 2.1: Final Geotechnical Report. Geomatrix, as a subconsultant to LEE & RO, will prepare the project final geotechnical report. This report will provide final design criteria for levee slope stabilization, grading, dewatering, soil compaction, and paving systems, supplementing and finalizing recommendations contained in Geomatrix's email dated November 26, 2007 and contained in Appendix C of the TM. Geomatrix will also review the final design documents for conformance to recommendations.

Task 2.2: 50% Design Documents. LEE & RO will prepare design documents for City review. Design will be in accordance with City standards, where applicable. The 50% design will include design concepts developed to a level of detail that allows for discussion and review, as well as an index of specifications to be included with the bid documents.

Deliverables: Five (5) half-sized 11" x 17" drawing sets, specification index.

Task 2.3: 90% Design Documents. Upon receipt of City comments on the 50% submittal documents, LEE & RO will meet with staff to discuss project status and clarify the path forward. Review comments will be summarized and noted as either (1) being addressed or (2) agreed alternative. After comments are understood, 90% design plans and specifications will be prepared. These documents will include detailed design drawings incorporating City comments on the 50% design, as well as draft technical specifications.

Deliverables: Five (5) half-sized 11" x 17" drawing sets, draft specifications, responses to 50% submittal comments.

Task 2.4: 100% Design Documents. Upon receipt of City comments on the 90% submittal documents, LEE & RO will again meet with staff to ensure that input is understood and incorporated. After comments are summarized and clarified, 100% design plans and specifications will be prepared. Documents will include detailed design drawings incorporating City comments on the 90% design, as well as final technical specifications and updated City front-end bid specifications.

Deliverables: Five (5) half-sized 11" x 17" drawing sets, technical and front end specifications, responses to 90% submittal comments.

Task 2.5: Opinions of Probable Cost of Construction. At each milestone submittal, LEE & RO will prepare and submit an Opinion of Probable Cost of Construction.

Deliverables: 50%, 90% and 100% Opinions of Probable Cost

Task 2.6: Assistance during Bidding. During the bid period, LEE & RO will assist the City by answering questions from prospective bidders and preparing contract addenda, if needed, for distribution by the City. We will respond to questions from bidders on a weekly basis throughout the bid phase of the project and will assist the City with a recommendation for award of the contract.

Task 2.7: Office Services during Construction. During the construction period, work will include attendance at the preconstruction meeting and interim site visits, responding to Contractor Requests for Information on the design (RFIs) and issuing Contract Document Clarifications (CDCs), review of contractor submittals, and preparation of Record Drawings.

Drawing List	
Task 2: Bid Package	
1	G-1 Title Sheet
2	G-2 Index, Abbreviations & General Notes
3	C-1 Site and Location Plan
4	C-2 Civil and Site Details
5	C-3 Civil Details
6	C-4 Roadway and Levee Plan
7	C-5 Sludge Lagoon Paving Plan
8	C-6 Roadway Geometry Tables
9	C-7 Roadway Profile and Details
10	C-8 Water Line Plan and Profile
11	C-9 Piping and Misc. Details
12	S-1 Structural Notes and Details 1
13	S-2 Structural Notes and Details 2
14	S-3 Levee Road Retaining Wall and Lagoon
15	E-1 Electrical Notes and Details
16	E-2 Electrical Service Relocation Details

Task 2.7a: Site Visits During Construction: LEE & RO will make up to four (4) site visits during the construction period, as requested by the City.

Task 2.7b: RFIs and CDCs. This proposal assumes that there may be up to six (6) RFI and four (4) CDC clarification documents, for a total of 10 document clarifications.

Task 2.7c: Submittal Review. We have based our estimate on a combined total of up to 12 contractor submittals and resubmittals.

Task 2.7d: Record Drawing Preparation. LEE & RO will prepare project revised reproducible Record Drawings, based on Contractor representation of actual construction maintained in the form of mark-ups throughout construction.

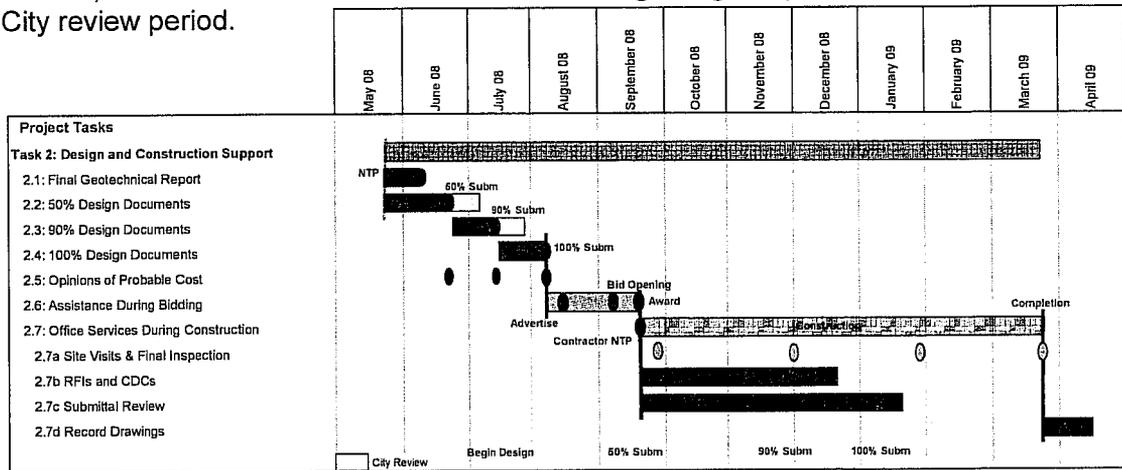
ESTIMATE OF FEES

Based upon the scope of work described above, LEE & RO presents the level of effort and fee proposal attached as Exhibit A. The total proposed not-to-exceed fee for services outlined for Tasks 2 is \$100,990.

SCHEDULE

A schedule for completing this work is provided below. Per previous conversations, we understand that it is important to have this work under contract for construction prior to the close of the City's fiscal year in June 2008.

The schedule shown maintains the 3 submittals, 60%, 90%, and 100% that we included in our original proposal. This timing is extremely tight, with little time between the City's review periods and subsequent submittals. If the City feels that the project has been clearly defined through the preliminary work completed to date, it would be efficient to eliminate the 60% submittal, move the 90% submittal forward to the beginning of April, and allow for a longer City review period.



SUMMARY AND COMMITMENT

We appreciate this opportunity to continue our partnership with the City of Sunnyvale. Please let us know if you have any question regarding this proposal or the project by contacting Bob at (916) 273-1014 or at Bob.Godwin@LEE-RO.com, or Christine at (925) 627-3381 or at Christine.Lindow@LEE-RO.com.

Sincerely,
 LEE & RO, Inc.

Bob Godwin

Bob Godwin
 Project Manager

Christine Lindow

Christine Lindow
 Vice President, Northern California Manager

SCHEDULE

A schedule for completing this work is provided below. Per previous conversations, we understand that it is important to have this work under contract for construction prior to the close of the City's fiscal year in June 2008.

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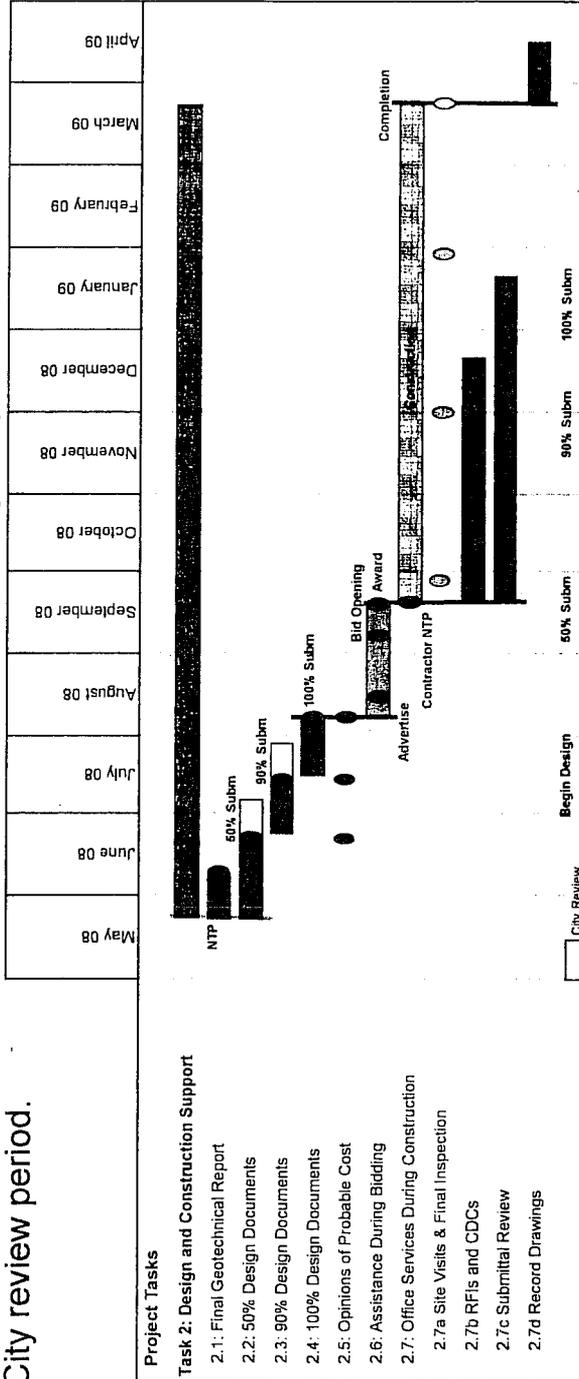


EXHIBIT B

City of Sunnyvale
 Water Pollution Control Plant
 Oxidation Ponds Sediment Removal Project

Project Tasks	E8	E7	E2	A3	Total Hours	Total Labor	ODCs	TOTAL
Labor Category: E8 Managing Engr; E7 Supervising Engineer; E3 Associate Engineer; T5 Senior CAD Technician; A3 Word Processor.	\$190	\$168	\$95	\$84				
Task 2: Construction Documents (50%, 90%, 100%)								
2.1: Final Geotechnical Investigation & Report (note 1)	8	4		4	16	\$2,530	\$9,500	\$12,030
2.2: 50% Design Documents	12	72	100	4	188	\$24,210	\$500	\$24,710
2.3: 90% Design Documents	12	72	100	12	196	\$24,880	\$500	\$25,380
2.4: 100% Design Documents	8	32	40	4	84	\$11,030	\$500	\$11,530
2.5: Opinions of Probable Cost		16	20	4	40	\$4,920	\$100	\$5,020
2.6: Assistance During Bidding		12	20	2	34	\$4,080		\$4,080
Design Subtotal	40	208	280	30	558	\$71,650	\$11,100	\$82,750
2.7: Office Services During Construction								
2.7a: Site Visits During Construction (4)		10	10		20	\$2,630	\$300	\$2,930
2.7b: RFIs and CDC's (10)	4	16	8	12	40	\$5,220		\$5,220
2.7c: Submittal Review (12)	4	20	12	12	48	\$6,270	\$200	\$6,470
2.7d: Record Drawings	2	6	20	4	32	\$3,620		\$3,620
Construction Subtotal	10	52	50	28	140	\$17,740	\$500	\$18,240
Subtotal, Task 2	50	260	330	58	698	\$89,390	\$11,600	\$100,990
TOTAL NOT-TO-EXCEED	50	260	330	58	698	\$89,390	\$11,600	\$100,990

Notes:

EXHIBIT "C"
INSURANCE REQUIREMENTS

CONSULTANT shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work by CONSULTANT, its agents, representatives, or employees.

Minimum Scope and Limits of Insurance

CONSULTANT shall maintain limits no less than:

1. **Commercial 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. ISO Occurrence Form CG 0001 is required.
2. **Automobile Liability**: \$1,000,000 per accident for bodily injury and property damage. ISO Form CA 0001 is required.
3. **Workers' Compensation** and **Employer's Liability**: \$1,000,000 per accident for bodily injury or disease.
4. **Errors and Omissions** Liability Insurance appropriate to CONSULTANT's profession: \$1,000,000 per occurrence.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared and approved by CITY. CONSULTANT shall guarantee payment of any losses and related investigations, claim administration and defense expenses within the deductible or self-insured retention.

Other Insurance Provisions

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

1. CITY, its officials, employees, agents and volunteers are to be covered as additional insureds with respect to liability arising out of activities performed by or on behalf of CONSULTANT; products and completed operations of CONSULTANT; premises owned, occupied or used by CONSULTANT; or automobiles owned, leased, hired or borrowed by CONSULTANT. The coverage shall contain no special limitations on the scope of protection afforded to CITY, its officers, employees, agents or volunteers, except as follows: Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of section 2782 of the Civil Code.

2. For any claims related to this project, CONSULTANT's insurance shall be primary. Any insurance or self-insurance maintained by CITY, its officers, officials, employees, agents and volunteers shall be 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 CITY, its officers, officials, employees, agents or 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 clause 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 given to CITY.

Acceptability of Insurers

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

Verification of Coverage

CONSULTANT shall furnish to CITY original Certificate(s) of Insurance and endorsements effecting the coverage required. The Certificate(s) shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by CITY prior to commencement of work.