



TRIUNFO SANITATION DISTRICT

A PUBLIC AGENCY

September 14, 2011

Board of Directors
Triunfo Sanitation District
Ventura County, California

TSD CONTRACT NO. T11-009 – THE PRD GROUP, INC. (CONIFER TANK REPLACEMENT PROJECT)

Summary

At the August 29, 2011, board meeting, your Board approved a contract with The PRD Group, Inc. (PRD) to provide project management assistance for the Conifer Tank Replacement Project. The requirement for Errors and Omission (E&O) insurance coverage is unnecessary since this effort does not include design or stamped plans/reports. Staff therefore recommends the Board approve the modified contract that omits the E&O requirement from the contract.

Background

Through this contract, and under direction of the Director of Operations, PRD will provide administrative project management support services. Since the scope of work detailed below does not have the provisions for design work, which would include stamped plans or reports, the standard contract requirement for E&O is not applicable and should be omitted from this contract. The previous contract with PRD also omitted the E&O requirement for the same reason, since the level and type of work did not warrant this extra coverage.

The current contract with PRD includes the following:

Development of a detailed project management plan for all elements of the subject project, with particular emphasis on documentation of schedule, resources, and budget for elements not currently under contract for construction (i.e. elements other than Oak Canyon Reservoir). This would include, for all elements, development of the following information:

- identification of critical steps for completion
- estimating time and critical deadlines for completion
- identification of critical path and/or time-linked activities
- assigning resources and estimated cost for completion of the work

Item 6-1

- generating individual schedules for work tracking
- integration of the above information into a proposed master schedule for the overall project
- development of standardized action item lists and weekly status reports for management review
- designating a process for structured tracking of all project elements and activities
- maintain the project library
- consolidating all relevant information in an organized file system (electronic and/or hard copy)
- compile and analyze design, environmental, and administrative project documentation and file accordingly
- prepare and maintain project schedules and summaries
- assemble and comment on related documentation for the Project Manager's review and approval
- other duties as required, including correspondence, coordinating meetings, and preparing presentations

Legal Counsel has reviewed and approved the proposed modified contract as to legal form and sufficiency. If you have any questions or need additional information, please contact me at 805-658-4674.

Fiscal Impact

There are no fiscal impacts for this change.

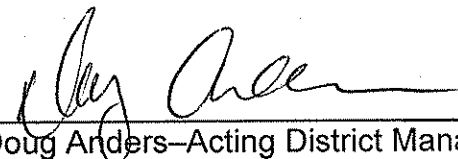
Recommendation

It is recommended the Board authorize the Chairman to sign the modified Contract No. T11-009 for The PRD Group, Inc., for project management assistance of the Conifer Tank Replacement Project, which omits the insurance requirement for Errors and Omissions coverage.


SALLY COLEMAN – DIRECTOR OF OPERATIONS

Enc.

APPROVED FOR SEPTEMBER 26, 2011 AGENDA


Doug Anders – Acting District Manager

CONTRACT NO. T11-009

**AGREEMENT FOR PROJECT MANAGEMENT ASSISTANCE
BETWEEN
TRIUNFO SANITATION DISTRICT
AND
THE PRD GROUP, INC.**

THIS AGREEMENT is made and entered into this 26th day of September, 2011 by and between the TRIUNFO SANITATION DISTRICT, a public agency formed pursuant to California Health & Safety Code Section 4700 et seq. (hereinafter referred to as "DISTRICT") and THE PRD GROUP, INC., a California corporation (hereinafter referred to as "ENGINEER.")

RECITALS

- A. DISTRICT is in need of project management assistance for the Conifer Tank Replacement Project (hereinafter referred to as "PROJECT."); and
- B. The parties enter into this Agreement to set forth their respective rights and obligations.

AGREEMENT

ARTICLE 1: EMPLOYMENT AND KEY PERSONNEL

- A. DISTRICT employs ENGINEER to perform the project management assistance services set forth herein. ENGINEER accepts said employment and agrees to perform said services in accordance with the terms of this Agreement.
- B. David M. Martin, as Principal Engineer, shall be personally in charge of and personally supervise or perform the technical execution of services on a day-to-day basis on behalf of ENGINEER, and shall maintain direct communication with the person designated by the District, in writing, as DISTRICT Project Manager.
- C. Should David M. Martin be unable to complete his respective responsibilities for any reason, he shall be replaced by ENGINEER with another qualified person whom DISTRICT finds satisfactory as a substitute. If ENGINEER fails to make a required replacement within fifteen (15) calendar days, DISTRICT may, at its sole option, terminate this Agreement **immediately** upon giving ENGINEER a written notice of termination.

ARTICLE 2: SCOPE OF SERVICES

ENGINEER agrees to perform, either through its own forces or subcontracts with third parties, the specified professional services related to PROJECT, as outlined in the Scope of Work, attached hereto as Exhibit "A" and incorporated herein by this reference.

ARTICLE 3: AUTHORIZATION AND COMPLETION OF WORK

Engineering services for work outlined in Article 2 shall be rendered only upon written authorization by DISTRICT in the form of a Notice to Proceed. ENGINEER shall begin work promptly upon receipt of

DISTRICT's Notice to Proceed, and pursue the work diligently to assure completion on a timely basis. ENGINEER shall complete all services set forth in this Agreement by June 30, 2012. Notwithstanding the foregoing, and at DISTRICT's sole option, District may extend the June 30, 2012 deadline for additional one-month periods, to a total of five, upon the same terms, conditions and price as set forth herein.

ARTICLE 4: COMPENSATION

Fees for services provided in Article 2 of this Agreement will be determined on the basis of Direct Salary Cost and Direct Nonsalary Cost, as herein defined, except that ENGINEER's total fees for services shall not exceed Ninety-nine Thousand One Hundred and Twenty Dollars (\$99,120.00).

A. Direct Salary Cost

For the time of all personnel employed by ENGINEER, the Direct Salary Cost payable by DISTRICT shall be ascertained by multiplying the number of hours worked by each classification of personnel employed by ENGINEER on the PROJECT by the appropriate hourly rates, which classifications and rates are set forth in Exhibit "B", attached hereto and incorporated herein by this reference.

B. Direct Nonsalary Cost

For Direct Nonsalary Cost, the fees payable by DISTRICT shall be an amount determined by multiplying actual costs by a factor of 1.1. Direct Nonsalary Costs include, but are not limited to, the following:

1. Services directly applicable to the work, such as special consultants, commercial printing, and similar costs that are not applicable to ENGINEER's general overhead.
2. Identifiable reproduction costs applicable to the work, such as printing of drawings, photostats, lithographing, printing and similar costs.
3. Identifiable communication expenses, such as express charges and postage other than for general correspondence.

C. Progress Payments

On or prior to the tenth (10th) day of each calendar month after actual work is started, ENGINEER shall submit an invoice of the total amount of work done and materials furnished by ENGINEER and incorporated into the work to the last day of the month preceding the one in which the invoice is submitted. When possible, such invoice shall include the name and title of each person performing work, date and brief description of the work performed, number and type of hours worked, and applicable labor rate. DISTRICT shall review and approve, in writing, the invoice for accuracy and agree, in writing, with ENGINEER on any adjustments that may be appropriate. Such approvals shall not be unreasonably withheld. DISTRICT shall pay ENGINEER for all approved work and materials within thirty (30) days of the agreement on the amount of the invoice.

In the event of disagreement with ENGINEER on adjustments or disallowances, said amounts in dispute shall be withheld until resolved. Upon resolution of the disagreement, payment of the approved amount shall be made within thirty (30) days, after deducting therefrom all previous payments and all sums to be retained under the terms of the Agreement.

D. Performance

No payment made under the Agreement, except the final payment, shall be conclusive evidence of the performance of the Agreement, either wholly or in part, and no payment shall be construed to be an acceptance of ENGINEER's work. Final payment will not be made until ENGINEER has certified in writing to DISTRICT

that the work has been completed in accordance with this Agreement. When DISTRICT makes the final payment it shall provide ENGINEER with a written statement that ENGINEER has completed the work in accordance with this Agreement. Nothing in this paragraph shall bind DISTRICT to make the final payment or to provide or accept a statement that the work has been completed if DISTRICT determines the work has not been completed in accordance with this Agreement. DISTRICT shall provide ENGINEER with documentation of completion of the work with final payment.

ARTICLE 5: INDEMNIFICATION AND HOLD HARMLESS

Subject to the limitations set forth in California Civil Code Section 2782.8, ENGINEER agrees to defend, indemnify and hold harmless DISTRICT and its officers, agents and employees from and against any and all liability, damages, costs, losses, claims and expenses, however caused, resulting directly or indirectly from or connected with ENGINEER's negligent, reckless, or willful misconduct in the performance of this Agreement (including, but not limited to such liability, cost, damage, loss, claim or expense arising from the death of or injury to, or damage to property of, ENGINEER, DISTRICT or their respective employees or agents), regardless of the active or passive negligence of DISTRICT, except where such liability, damages, costs, losses, claims or expenses are caused solely by the negligent or wrongful acts or omissions of DISTRICT or any of its agents or employees.

ARTICLE 6: INSURANCE

ENGINEER shall provide and keep in effect during the term of this Agreement insurance as follows:

- A. Workers' Compensation and Employer's Liability in accordance with applicable laws.
- B. Comprehensive Commercial Liability policies with combined single limit coverage of at least \$1,000,000 for any personal injury, death, or property damage.
- C. Comprehensive Automobile Liability policies with combined single limit coverage of at least \$1,000,000 for personal injury, death, or property damage.

ENGINEER shall provide certificates of such insurance to DISTRICT prior to the start of work in a form satisfactory to DISTRICT. Said certificates shall specifically provide that: (1) DISTRICT is an additional insured for the coverage in Items B and C above; (2) any other insurance coverage applicable to the loss shall be deemed excess coverage and ENGINEER's insurance shall be primary for the coverage in Items B and C above; and (3) such insurance shall not be terminated or canceled without thirty (30) days' prior written notice having been given DISTRICT at its address set forth in this Agreement, except that ten (10) days' written notice shall be acceptable in the case of cancellation for nonpayment. The cost of all such insurance and certificates provided shall be borne by ENGINEER.

Should ENGINEER use the services of a subcontractor, ENGINEER shall require that the subcontractor provide and keep in effect identical insurance to that which ENGINEER is required to provide pursuant to the terms of this Article 6 and shall require that the subcontractor provide certificates of insurance to ENGINEER and DISTRICT prior to the time the subcontractor starts work, which certificate shall be in the same form as ENGINEER is required to provide to DISTRICT.

ARTICLE 7: CHANGE ORDERS

No change to Exhibit "A" hereto, or to any other provision of this Agreement, may be made except by a written amendment signed by ENGINEER and DISTRICT. If conditions beyond the control of ENGINEER necessitate a change to Exhibit "A," the parties agree to negotiate in good faith in an attempt to reach a

reasonable amendment to this Agreement. DISTRICT General Manager or his designee shall be authorized to approve changes to this Agreement in a manner consistent with the provisions of DISTRICT Resolution No. 89-13. Each change order shall be approved by the DISTRICT Board of Directors.

ARTICLE 8: INDEPENDENT CONTRACTOR RELATIONSHIP

A. It is expressly understood between the parties that no employee/employer relationship is intended, the relationship of ENGINEER to DISTRICT being that of an independent contractor. DISTRICT shall not be required to make any payroll deductions or provide Workers' Compensation Insurance coverage or health benefits to ENGINEER.

B. ENGINEER is solely responsible for selecting the means, methods, and procedures for doing the work assigned, and for coordinating all portions of the work so the results will be satisfactory to DISTRICT. ENGINEER will supply all tools and instrumentalities required to perform its services under the Agreement.

C. Pursuant to this Agreement, ENGINEER is rendering professional services only, and any payments made to it are compensation solely for such services as it may render and recommendations it may make in the performance of said services.

ARTICLE 9: INFORMATION, LIAISON, AND ASSISTANCE

DISTRICT agrees to provide ENGINEER all available information and assistance in regard to obtaining any work performed by DISTRICT or others in connection with the project, including, but not limited to the following: as-builts, construction specifications, monitoring reports, engineering reports, and survey data which are available to DISTRICT and are required in connection with ENGINEER's services under this Agreement. ENGINEER shall maintain all such information in a confidential manner and ENGINEER shall not release such information to any person or agency without DISTRICT's prior written approval.

ARTICLE 10: CONFIDENTIAL RELATIONSHIP/TITLE TO DOCUMENTS

ENGINEER agrees that all dealings of the parties under this Agreement shall be confidential and no report, data, information or communication developed, prepared or assembled by ENGINEER under this Agreement, or any information made available to ENGINEER by DISTRICT, shall be revealed, disseminated or made available by ENGINEER to any person or entity other than DISTRICT without the prior written consent of DISTRICT. All data, calculations, drawings and other documents developed, prepared, completed or acquired by ENGINEER during the performance of its services hereunder shall be turned over to DISTRICT upon termination of this Agreement.

ARTICLE 11: COMPLIANCE WITH LAWS

ENGINEER shall be solely responsible for giving all notices and complying with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority relating to ENGINEER's work, the safety of the persons or property involved, and their protection from damage or injury. ENGINEER shall defend, indemnify and hold DISTRICT harmless from and against all claims, demands, payments, suits, actions, proceedings and judgments of every nature and description, including attorneys fees and costs, brought or recovered against DISTRICT, for or on account of any liability under said laws, ordinances, rules, regulations and orders which may be incurred by reason of any work to be performed by ENGINEER pursuant to this Agreement.

ARTICLE 12: NOTICES

All notices or other official correspondence relating to contractual matters between the parties hereto shall be made by depositing same first-class, postage paid mail addressed as follows:

To ENGINEER: David M. Martin, P.E., Principal
THE PRD GROUP, INC.
3500 E. Camino, Suite 250
P.O. Box 8242
Oxnard, CA 93031

To DISTRICT: Finance & Administration
TRIUNFO SANITATION DISTRICT
1001 Partridge Drive, Suite 150
Ventura, CA 93003-0704

or to such other address as either party may designate hereinafter in writing delivered to the other party. All notices shall be deemed to have been received three (3) days after mailing.

ARTICLE 13: SUSPENSION OR TERMINATION OF SERVICES

If any part or all of the work for which services have been authorized is postponed, suspended, or abandoned, DISTRICT shall have the right to suspend where the work has been postponed or suspended, or terminate where the work has been abandoned, the rendition of ENGINEER's services on that portion of the work so postponed, suspended, or abandoned. DISTRICT shall notify ENGINEER of any suspension or termination of work by written Notice of Suspension or Termination. In the event of such suspension or termination, ENGINEER shall have the right to expend additional time to assemble the work in progress for the particular section of work for the purpose of proper filing and closing the job. Such additional time shall not exceed ten percent (10%) of the total time expended on the section or sections of work suspended or abandoned at and to the date of the Notice of Suspension or Termination, and shall not increase ENGINEER's total compensation beyond the maximum stated in Article 4.

In the event suspension of services exceeds twelve (12) months in duration, ENGINEER may, by not less than thirty (30) days' written notice, terminate the services as they apply to the suspended portion of the project.

ARTICLE 14: ASSIGNMENT

Neither party shall assign nor transfer its interest in this Agreement without the written consent of the other.

ARTICLE 15: NO WAIVER

No failure or delay by DISTRICT in asserting any of DISTRICT's rights and remedies as to any default of ENGINEER shall operate as a waiver of the default, of any subsequent or other default by ENGINEER, or of any of DISTRICT's rights or remedies. No such delay shall deprive DISTRICT of its right to institute and maintain any action or proceeding which may be necessary to protect, assert or enforce any rights or remedies arising out of this Agreement or the performance of this Agreement.

ARTICLE 16: EXAMINATION OF RECORDS

ENGINEER agrees DISTRICT shall have access to and the right to examine any directly pertinent books, documents, papers, and records of ENGINEER and all the transactions relating to this Agreement.

ARTICLE 17: TERMS

No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties. No oral understanding or agreement not incorporated herein shall be binding on any of the parties.

ARTICLE 18: PARTIAL INVALIDITY

If any term, covenant, condition or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby.

ARTICLE 19: INCORPORATION OF RECITALS

The foregoing recitals are incorporated herein as though fully set forth.

ARTICLE 20: ARTICLE HEADINGS

Article headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants, and conditions of this Agreement.

ARTICLE 21: CALIFORNIA LAW

This Agreement shall be interpreted and construed pursuant to the laws of the State of California. The parties agree that should litigation arising from this Agreement be commenced within California, such litigation shall occur within a court of competent jurisdiction within the County of Ventura.

ARTICLE 22: AUTHORITY

Each person executing this Agreement warrants and represents to the other party that it has the authority to execute this Agreement, that it has read and fully understands this Agreement, and that it is entering into this Agreement freely and voluntarily.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

APPROVED AS TO FORM: ARNOLD, BLEUEL,
LaROCHELLE, MATHEWS, & ZIRBEL, LLP

TRIUNFO SANITATION DISTRICT

By _____
JOHN MATHEWS
Legal Counsel for DISTRICT

By _____
MICHAEL PAULE
CHAIR, Board of Directors

ATTEST:

ENGINEER:

By _____
JOSIE GUZMAN, Clerk of the Board

By _____
DAVID M. MARTIN, P.E., Principal,

INTERNAL USE ONLY

Principal Analyst _____
Finance Manager _____
Director of Finance TD _____
Fiscal Technician _____

The PRD Group, Inc.

Engineering

Project Management

Ventura Regional Sanitation District
1001 Partridge Dr., Suite 150
Ventura, CA 93003-0704

August 15, 2011

Attn: Sally Coleman, Director of Operations

Proposal: Project Management Assistance for the Conifer Tank Project

Dear Ms. Coleman:

Pursuant to a request from your staff, The PRD Group is providing the following proposal for up to 840 hours of project management assistance as required by the Triunfo Sanitation District. At your discretion, The PRD Group can provide a project manager to perform the following functions.

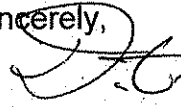
Development of a detailed project management plan for all elements of the subject project, with particular emphasis on documentation of schedule, resources, and budget for elements not currently under contract. This would include, for all elements, development of the following information:

- identification of critical steps for completion
- estimating time and critical deadlines for completion
- identification of critical path and/or time-linked activities
- assigning resources and estimated cost for completion of the work
- generating individual schedules for work tracking
- integration of the above information into a proposed master schedule for the overall project
- development of standardized action item lists and weekly status reports for management review
- designating a process for structured tracking of all project elements and activities
- maintain the project library
- consolidating all relevant information in an organized file system (electronic and/or hard copy)
- compile and analyze design, environmental, and administrative project documentation
- prepare and maintain project schedules and summaries
- assemble and comment on related documentation for the Project Manager's review and approval
- other duties as required, including correspondence, coordinating meetings, and preparing presentations

At a contract rate of \$118.00 per hour, this proposal will not exceed \$99,120.00.

Thank you very much for the opportunity to submit this proposal. I hope we can be of service to you. Please contact me at (626) 422-2754 if additional information is required.

Sincerely,



David M. Martin, P.E.
Principal
The PRD Group, Inc.