

**MONTEREY COUNTY WATER RESOURCES AGENCY  
AGREEMENT FOR PROFESSIONAL SERVICES  
WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN  
PROFESSIONALS**

This is an agreement ("Agreement") between the Monterey County Water Resources Agency, hereinafter called "Agency," and JDH Corrosion Consultants, Inc., a California Corporation hereinafter called "CONTRACTOR".

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. Employment of CONTRACTOR. Agency hereby engages CONTRACTOR and CONTRACTOR hereby agrees to perform the services set forth in Exhibit A, in conformity with the terms of this Agreement. CONTRACTOR will complete all work in accordance with the **Scope of Work/Work Schedule set forth in Exhibit A:**
  - (a) The scope of work is briefly described and outlined as follows:
    1. Test and provide a condition assessment of the Castroville Seawater Intrusion Project (CSIP) and Salinas River Diversion Facility (SRDF) cathodic protection systems.
    2. Provide cathodic protection system engineering design services (prepare technical specifications, cost estimates and bid documents).
    3. Provide as-needed construction management and inspection services for the installation of cathodic protection system components.
  - (b) The CONTRACTOR shall perform its services under this agreement in accordance with usual and customary care and with generally accepted practices in effect at the time the services are rendered. The CONTRACTOR and its agents and employees performing work hereunder are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required by this Agreement.
  - (c) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
  - (d) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.
2. Term of Agreement. The term of this Agreement shall begin on March 2019 by CONTRACTOR and Agency, and will terminate on June 30, 2022, unless earlier terminated as provided herein.

3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay to CONTRACTOR in accordance with the fee schedule set forth in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is One hundred seventy-three thousand and seven hundred and eighty dollars.

(\$ 173,780.00 ).

4. Monthly Invoices by CONTRACTOR; Payment.

- (a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.
- (b) CONTRACTOR agrees that Agency may withhold five percent (5%) of the amount requested by CONTRACTOR from any progress payment, until such time as all goods and services are received in a manner and form acceptable to Agency.
- (c) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.
- (d) CONTRACTOR shall not be reimbursed for travel expenses unless expressly approved in writing in accordance with this Agreement.

5. Indemnification

- 5.1 For purposes of the following indemnification provisions ("Indemnification Agreement"), "design professional" has the same meaning as set forth in California Civil Code section 2782.8. If any term, provision or application of this Indemnification Agreement is found to be invalid, in violation of public policy or unenforceable to any extent, such finding shall not invalidate any other term or provision of this Indemnification Agreement and such other terms and provisions shall continue in full

force and effect. If there is any conflict between the terms, provisions or application of this Indemnification Agreement and the provisions of California Civil Code Sections 2782 or 2782.8, the broadest indemnity protection for the COUNTY under this Indemnity Agreement that is permitted by law shall be provided by CONTRACTOR.

- 5.2 Indemnification for Design Professional Services Claims: CONTRACTOR shall indemnify, defend and hold harmless COUNTY, its governing board, directors, officers, employees, and agents against any claims that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONTRACTOR, its employees, subCONTRACTORS, and agents in the performance of design professional services under this Agreement, excepting only liability arising from the sole negligence, active negligence or willful misconduct of COUNTY, or defect in a design furnished by COUNTY, but in no event shall the amount of such CONTRACTOR's liability exceed such CONTRACTOR's proportionate percentage of fault as determined by a court, arbitrator or mediator, or as set out in a settlement agreement. In the event one or more defendants to any action involving such claim or claims against COUNTY is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, such CONTRACTOR shall meet and confer with the other parties to such action regarding unpaid defense costs.

- 5.3 Indemnification for All Other Claims or Loss:  
For any claim, loss, injury, damage, expense or liability other than claims arising out of the CONTRACTOR's performance of design professional services under this Agreement, CONTRACTOR shall indemnify, defend and hold harmless COUNTY, its governing board, directors, officers, employees, and agents against any claim for loss, injury, damage, expense or liability resulting from or alleging injury to or death of any person or loss of use of or damage to property, arising from or related to the performance of services under this Agreement by CONTRACTOR, its employees, subCONTRACTORS or agents, excepting only liability arising from the sole negligence, active negligence or willful misconduct of the COUNTY, or defect in a design furnished by the COUNTY.

## 6. Insurance.

- 6.1 Evidence of Coverage:  
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the Agency's Contact, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the Agency. This approval of insurance shall

neither relieve nor decrease the liability of the CONTRACTOR.

6.2 Qualifying Insurers:

All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

6.3 Insurance Coverage Requirements:

Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent CONTRACTORS, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

☐ Exemption/Modification (Justification attached; subject to approval).

#### 6.4 Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the Agency and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the Agency shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subCONTRACTOR, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subCONTRACTOR showing each subCONTRACTOR has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the Monterey County Water Resources Agency and the County of Monterey, their officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is **ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000)**. The required endorsement form for Automobile Additional Insured endorsement is **ISO Form CA 20 48 02 99**.

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance with the Agency's contract administrator, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Agency, annual certificates to Agency's Contract Administrator. If the certificate is not received by the expiration date, Agency shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in

the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles Agency, at its sole discretion, to terminate this Agreement immediately.

7. Maintenance of Records. CONTRACTOR shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this Agreement. CONTRACTOR shall retain all such records for at least five years from the date of final payment, or until any litigation relating to this Agreement is concluded, whichever is later.
8. Right to Audit at Any Time. Agency officials shall have the right, at any time during regular working hours and on reasonable advance notice, to examine, monitor and audit all work performed and all records, documents, conditions, activities and procedures of CONTRACTOR or its subCONTRACTORS relating to this Agreement. Government Code Section 8546.7 provides that an audit by the State Auditor General may be performed up to three years after the final payment under any contract involving the expenditure of public funds in excess of \$10,000.
9. Confidentiality; Return of Records. CONTRACTOR and its officers, employees, agents, and subCONTRACTORS shall comply with all federal, State and local laws providing for the confidentiality of records and other information. To the extent permitted by applicable law and regulations, CONTRACTOR shall maintain confidentiality with respect to Agency's well database and other water use data.

CONTRACTOR shall not disclose any confidential information received from Agency or prepared in connection with the performance of this Agreement without the express permission of Agency. CONTRACTOR shall promptly transmit to Agency all requests for disclosure of any such confidential information. CONTRACTOR shall not use any confidential information gained through the performance of this Agreement except for the purpose of carrying out CONTRACTOR's obligations hereunder. When this Agreement expires or terminates, CONTRACTOR shall return to Agency all records, which CONTRACTOR utilized or received, from Agency to perform services under this Agreement.

10. Termination. Either party may terminate this Agreement by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination, which date shall be specified in any such notice. In the event of such termination, the amount payable hereunder shall be reduced in proportion to the services provided prior to the effective date of termination. Agency may terminate this Agreement at any time for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes, without limitation, the failure of CONTRACTOR to perform the required services at the time and in the manner provided herein. If Agency terminates this Agreement for good cause, Agency may be relieved of the payment of any consideration to CONTRACTOR, and Agency may proceed with the work in any manner, which it deems proper. Costs incurred by Agency thereby shall be

deducted from any sum due CONTRACTOR.

11. Amendments and Modifications. No modification or amendment of this agreement shall be valid unless it is set forth in writing and executed by the parties.
12. Non-Discrimination. Throughout the performance of this Agreement, CONTRACTOR will not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual orientation, gender identity or any other status protected under federal, state or local law, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR shall comply fully with all federal, State and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any target population designated herein shall not be deemed prohibited discrimination.
13. Independent Contractor. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.
14. Delegation of Duties; Subcontracting. CONTRACTOR is engaged by Agency for its unique qualifications and abilities. CONTRACTOR may not, therefore, delegate any of its basic duties under this Agreement, except to the extent that delegation to CONTRACTOR's employees is contemplated herein. No work shall be subcontracted without the written consent of Agency, except as provided in this Agreement or its attachments. Notwithstanding any subcontract, CONTRACTOR shall continue to be liable to Agency for the performance of all work hereunder. CONTRACTOR shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Agreement without Agency's prior written consent.
15. Agency's Rights in Work Product. All original materials prepared by CONTRACTOR in connection with its work hereunder -- including but not limited to computer codes, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic negatives -- shall be the property of Agency and shall be delivered to Agency prior to final payment. CONTRACTOR may utilize any existing materials developed by

CONTRACTOR prior to commencement of work under this Agreement, which materials shall remain the property of CONTRACTOR.

16. Compliance with Terms of Federal or State Grant. If any part of this Agreement has been or will be funded pursuant to a grant from the federal or State government in which Agency is the grantee, CONTRACTOR shall comply with all provisions of such grant applicable to CONTRACTOR's work hereunder, and said provisions shall be deemed a part of this Agreement as though fully set forth herein.
17. Conflict of Interest. CONTRACTOR warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.
18. Governing Laws. This Agreement is entered into in the County of Monterey, State of California, and shall be construed and enforced in accordance with the laws of the State of California. The parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.
19. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
20. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code Section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.
21. Waiver. Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.
22. Successors and Assigns. This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.
23. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contractor's behalf in the performance of this Agreement.
24. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

25. Time is of the Essence. The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

26. Contract Administrators.

CONTRACTOR's designated principal responsible for administering  
CONTRACTOR's work under this Agreement shall be

J. Darby Howard, Jr.

Agency's designated administrator of this Agreement shall be

Manuel Saavedra

27. Notices. Notices required under this Agreement shall be delivered personally or by electronic facsimile, or by first class or certified mail with postage prepaid. Notice shall be deemed effective upon personal delivery or facsimile transmission, or on the third day after deposit with the U.S. Postal Service. CONTRACTOR shall give Agency prompt notice of any change of address. Unless otherwise changed according to these notice provisions, notices shall be addressed as follows:

| TO AGENCY                                                          | TO CONTRACTOR                                        |
|--------------------------------------------------------------------|------------------------------------------------------|
| Name: Manuel Saavedra                                              | Name: J. Darby Howard, Jr.                           |
| Address: 1441 Schilling Place, North Building<br>Salinas, CA 93901 | Address: 1100 Willow Pass Court Concord, CA<br>94520 |
| Telephone: (831) 755-4860                                          | Telephone: (925) 927-6630                            |
| Fax: (831) 424-7935                                                | Fax: (925) 927-6634                                  |
| E-Mail: saavedram@co.monterey.ca.us                                | E-Mail: dhoward@jdhcorrosion.com                     |

28. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats in accordance with the specifications listed in Exhibit C.

29. Non-exclusive Agreement. This Agreement is non-exclusive and both parties reserve the right to contract with other entities for the same or similar services.

30. Execution of Agreement. Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

31. Exhibits. The following Exhibits are attached hereto and incorporated by reference:

Exhibit A - Scope of Work/ Work Schedule

Exhibit B - Fee Schedule

Exhibit C - Deliverables

Exhibit D -

32. Entire Agreement --As of the effective date of this Agreement, this document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

**MONTEREY COUNTY WATER RESOURCES AGENCY  
AGREEMENT FOR PROFESSIONAL SERVICES  
WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN  
PROFESSIONALS**

IN WITNESS WHEREOF, AGENCY and CONTRACTOR execute this agreement as follows:

**MONTEREY COUNTY WATER  
RESOURCES AGENCY:**

BY: \_\_\_\_\_

Shauna Lorange  
Interim General Manager

Date: \_\_\_\_\_

**CONTRACTOR:**

BY: \_\_\_\_\_

Type Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

BY: \_\_\_\_\_

Type Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

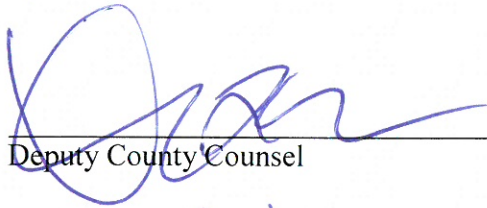


\* INSTRUCTIONS: If CONTRACTOR is a corporation (including limited liability and nonprofit corporations), the full legal name of the corporation shall be set forth together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth together with the signature of a partner with authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of his or her business, if any, and shall personally sign the Agreement.

( JDH Corrosion Consultants, Inc. )  
**Agreement/Amendment No #** ( 18-003 )

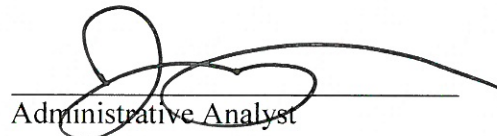
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Approved as to form <sup>1</sup>:

  
\_\_\_\_\_  
Deputy County Counsel

Dated: 3/18/19

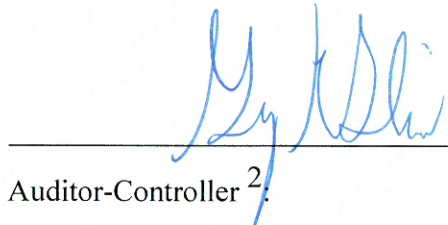
Approved as to fiscal provisions:

  
\_\_\_\_\_  
Administrative Analyst

Dated: 3-19-19

\_\_\_\_\_  
County Counsel – Risk Manager:

Dated: \_\_\_\_\_

  
\_\_\_\_\_  
Auditor-Controller <sup>2</sup>:

Dated: 3/18/19

<sup>1</sup> Approval by County Counsel is required, and/or when legal services are rendered

<sup>2</sup> Approval by Auditor-Controller is required

## **EXHIBIT A**

### **SCOPE OF WORK/WORK SCHEDULE**

#### Introduction:

JDH Corrosion Consultants, Inc., (Contractor) shall provide the following Scope of Work related to the engineering design, construction management, inspection, testing and condition assessment of the Castroville Seawater Intrusion Project (CSIP), and Salinas River Diversion Facility (SRDF) cathodic protection systems.

CONTRACTOR shall complete the following tasks, but not limited to:

- a. Prepare standard drawings, technical specifications and bid documents necessary for the installation of anode and galvanic beds, rectifiers, RMU's, and test stations.
- b. Prepare detailed engineering cost estimates for of cathodic protection system components.
- c. Provide construction management and inspection services for the installation of cathodic protection system components.
- d. Perform a survey of the CSIP and SRDF cathodic protection systems, and prepare a report summarizing results. Cathodic protection survey shall be completed at the end of the first year of the AGREEMENT term. The survey will include the following:
  - Inspecting all rectifiers, anode beds, test stations and insulating joints to determine corrosion activity levels and protection potentials and insulation.
  - Evaluation of the CSIP and SRDF impressed current systems for interference on foreign pipelines.
  - Adjusting and resetting rectifier outputs to meet appropriate cathodic protection levels to the pipelines.
  - Measuring pipe-to-soil potentials at all accessible test stations.
  - Measuring pipe-to-soil potentials and anode current outputs at galvanic anode locations.

All work completed by the Contractor shall be in accordance with the latest standards of the National Association of Corrosion Engineers (NACE).

**EXHIBIT B**  
**FEE SCHEDULE**  
**Payment Provisions**

**PAYMENT:**

For the Scope of Work defined in Exhibit A, Agency shall pay Contractor on a time and expense basis an amount not to exceed \$173,780. Payable costs shall be the sum of direct labor costs, other direct costs and sub-consultant mark-up as defined below. If Contractor time and expense costs necessary to complete the Scope of Work defined in Exhibit A are less than \$173,780, the Agency enjoys the savings. If Contractor requires time and expense to complete the Scope of Work defined in Exhibit A are over and above \$173,780, the maximum amount payable to Contractor remains \$173,780.

Direct Labor Costs: are the hourly billing rate, per the Direct Labor Rate Schedule herein, times the number of hours worked by the personnel.

Other Direct Costs: are identifiable costs necessarily incurred by Contractor to complete the Scope of Work defined in Exhibit A. Other Direct Costs include, but are not limited to, travel and subsistence expenses, document reproduction costs, and postal costs. Other Direct Costs shall be accounted for in each invoice by submittal of receipts for such costs and description of their necessity. Contractor is entitled to mark-up their Other Direct Costs by a multiplier of 1.10 (10%). Automobile mileage will be reimbursable at the IRS approved rate.

Sub-Contractor Mark-up: is the percentage multiplier designated for each sub-Contractor times the sum of sub-Contractor direct labor and other direct charges. All sub-Contractor mark-up multipliers shall not exceed 1.10 (10% mark-up).

**DIRECT LABOR RATE SCHEDULE:**

The Direct Labor Rate Schedule herein shall be valid for the term of the Agreement beginning March 2019. The hourly billing rate schedule and other direct costs chargeable to the project may be modified as agreed by Agency and Contractor after said period of time. The parties shall agree to such modifications in writing as an Amendment to the Agreement.

| <b>Personnel Charges</b>    | <b>Rate Per Hour</b> |
|-----------------------------|----------------------|
| Project Manager             | \$230.00             |
| Senior Project Manager      | \$215.00             |
| Corrosion Design Specialist | \$185.00             |
| Project Supervisor          | \$180.00             |
| Project Engineer            | \$175.00             |
| Corrosion Technician        | \$145.00             |

## EXHIBIT B

### FEE SCHEDULE



Monterey County Water Resources Agency

Cathodic Protection System

MANPOWER COST ESTIMATE

12/19/2018

| Task                                                                                              | Project Manager | Sr. Project Engineer | Corr. Design Specialist | Project Superv. | Project Engineer | Corrosion Technician | Lab Fees | Total         |
|---------------------------------------------------------------------------------------------------|-----------------|----------------------|-------------------------|-----------------|------------------|----------------------|----------|---------------|
| Hourly Rate                                                                                       | \$ 230.00       | \$ 215.00            | \$ 185.00               | \$ 180.00       | \$ 175.00        | \$ 145.00            |          |               |
| Task 1- Review & Project Scheduling                                                               |                 |                      |                         |                 |                  |                      |          |               |
| 1. Review Existing & New Record Documents and Prepare Work Schedule with MCWRA                    | 2               | 2                    |                         | 16              | 8                |                      |          | \$ 5,170.00   |
| Subtotal                                                                                          |                 |                      |                         |                 |                  |                      |          | \$ 5,170.00   |
| Task 2 - Field Work Required to Obtain Site Specific Information & Perform CP Survey              |                 |                      |                         |                 |                  |                      |          |               |
| 1. Check Rectifiers & Preliminary Adjustments & Prepare Location Plans for Replacement Anode Beds |                 | 8                    |                         | 8               | 40               | 40                   |          | \$ 15,960.00  |
| 2. Conduct Cathodic Protection Survey & Collect Additional Info for Replacement Galvanic Beds     |                 | 8                    |                         | 8               | 60               | 60                   |          | \$ 22,360.00  |
| 3. Make Adjustments as Necessary                                                                  |                 | 8                    |                         | 4               | 16               |                      |          | \$ 5,240.00   |
| 4. Prepare Report                                                                                 | 4               | 8                    |                         | 8               | 40               |                      |          | \$ 11,080.00  |
| Subtotal                                                                                          |                 |                      |                         |                 |                  |                      |          | \$ 54,640.00  |
| Task 3 - Design                                                                                   |                 |                      |                         |                 |                  |                      |          |               |
| 1. Deep Anode Beds - 5 Locations                                                                  | 4               | 8                    | 40                      |                 | 8                |                      |          | \$ 11,440.00  |
| 2. Galvanic System - 37 Locations                                                                 | 4               | 8                    | 48                      | 8               | 8                |                      |          | \$ 14,360.00  |
| 3. RMU Installation - 2 Replacements & 47 RMUs                                                    | 4               | 8                    | 16                      | 4               | 4                |                      |          | \$ 7,020.00   |
| 4. Design of Test Stations                                                                        | 4               | 8                    | 48                      |                 | 8                |                      |          | \$ 12,920.00  |
| Subtotal                                                                                          |                 |                      |                         |                 |                  |                      |          | \$ 45,740.00  |
| Task 4 - Specifications, Cost Estimates and Bid Documents                                         |                 |                      |                         |                 |                  |                      |          |               |
| 1. Deep Anode Beds - 5 Locations                                                                  | 4               | 8                    | 8                       | 8               | 16               |                      |          | \$ 8,360.00   |
| 2. Galvanic System - 37 Locations                                                                 | 4               | 8                    | 8                       | 8               | 16               |                      |          | \$ 8,360.00   |
| 3. RMU Installation - 2 Replacements & 47 RMUs                                                    | 4               | 8                    | 8                       | 8               | 16               |                      |          | \$ 8,360.00   |
| 4. Test Stations                                                                                  | 2               | 2                    | 2                       | 8               | 8                |                      |          | \$ 3,730.00   |
| Subtotal                                                                                          |                 |                      |                         |                 |                  |                      |          | \$ 28,810.00  |
| Task 5 - Construction Management & Inspection Services                                            |                 |                      |                         |                 |                  |                      |          |               |
| 1. Logging Wells and Testing Deep Anode Beds - 5 Locations                                        | 8               | 8                    |                         | 8               | 60               |                      |          | \$ 15,500.00  |
| 2. Testing Galvanic Systems - 37 Locations                                                        |                 |                      |                         | 8               | 40               |                      |          | \$ 8,440.00   |
| 3. Testing RMU Installations - 2 Replacements & 47 RMUs                                           |                 |                      |                         | 8               | 32               |                      |          | \$ 7,040.00   |
| 4. Test Stations                                                                                  |                 |                      |                         | 8               | 40               |                      |          | \$ 8,440.00   |
| Subtotal                                                                                          |                 |                      |                         |                 |                  |                      |          | \$ 39,420.00  |
| Total                                                                                             |                 |                      |                         |                 |                  |                      |          | \$ 173,780.00 |

#### INVOICES:

Invoices may be submitted monthly. Invoices shall include the direct labor costs by individual and task, showing the individual's hours charged, hourly rate and total amount charged to each task. Other direct charges shall be added to the sum of the direct labor costs by task. Other Direct Charges shall be accounted for in each invoice by submittal of receipts for such costs and description of their necessity. Percent of task completion shall be included on each invoice.

#### NOTIFICATION:

When, during performance of the work, Contractor incurs 75 percent of the total Task cost allotted to a Task, Contractor shall so notify the Agency to that effect. If Consultant has reason to believe that the costs which it expects to incur to finish the Task, when added to the costs previously incurred, will exceed the total Task cost Contractor shall so notify the Agency to that effect. The notice shall state: (1) the estimated amount of additional funds required to complete the Task; (2) justification for the need for additional funds; and (3) the estimated date Contractor expects its total costs incurred to meet the total Task cost.

**EXHIBIT C**  
**DELIVERABLES**

CONTRACTOR shall furnish, in accordance with the agreed schedule the following deliverables:

One (1) full size hardcopy set for all drawings, technical specifications and design calculations. Drawings and technical specifications shall fully delineate the work to be done and materials required. Dimensions, details, and descriptions shall demonstrate adequacy of design for review, permitting, bidding and construction. Each original drawing sheet shall be stamped and signed by a corrosion engineer licensed to practice in the State of California. Plan sets shall be prepared in AutoCAD®.

One (1) full set of all drawings, technical specifications and design calculations in an electronic file in both .dwg and .pdf formats.

Draft report of the field testing survey of the CSIP and SRDF cathodic protection systems in bound form and as a .pdf file, single sided.

Three (3) copies of the final report of the field testing survey of the CSIP and SRDF cathodic protection systems in bound form and as a .pdf file, single sided.

ESRI ArcGIS® and AutoCAD®, images to be imported in a document are to be provided at 300 dpi.

Digital photos shall be 2048 x 1536 pixels at 72 pixels per inch or better, and delivered in .PDF, .TIFF or .JPEG formats.

All standard drawings, technical specifications, and field work shall be done in accordance with the standards of the National Association of Corrosion Engineers (NACE). All standard drawings and technical specifications shall be suitable for bidding purposes. CONTRACTOR will allow for at least one revision of all drawings and technical specifications.