

# Request for Proposals Operational Performance Audit

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City Manager's Office



311 Vernon Street, Roseville, CA 95678  
[www.roseville.ca.us](http://www.roseville.ca.us)



CITY OF ROSEVILLE

REQUEST FOR PROPOSALS

For

Operational Performance Audits for the City of Roseville  
Electric and Environmental Utilities Departments

Contact:

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Development & Operations Manager  
Office of the City Manager  
City of Roseville  
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## **I. Purpose**

The City of Roseville ("City") invites written proposals from qualified providers ("Consultant") to undertake operational performance audits of the City's Electric Department (electric utility) and Environmental Utilities Department (water, wastewater, and solid waste).

In October of 2010 the City contracted with Matrix Consulting to conduct a City-wide audit of City operations to determine the efficiency and effectiveness of the organization. The purpose of the study was to conduct a comprehensive review of City operations that would provide recommendations to streamline the organization and prepare the City for the future. The study also was intended to provide a snapshot (baseline) of City operations at a particular point in time for which future audits would be based.

The recommended audit schedule provides for all city departments to be audited by 2015 with audits reoccurring on a four year cycle. Roseville Electric and the Environmental Utilities Department audits are scheduled for 2013. The recommended audit schedule is in addition to the City's annual financial audit and other spot audits that may be initiated by the City Manager's Office from time to time.

It is understood that these operational performance audits will be undertaken with the full understanding, support, and cooperation of City staff and the express authorization of the City Council.

## **II. Background**

### ***The City***

The city of Roseville encompasses 42 square miles in southwestern Placer County, approximately 15 miles northeast of Sacramento. The city is bisected by Interstate 80 (160,000+ daily trips) and State Route 65 (90,000+ daily trips). With an evening population of 122,063 and a daytime population rapidly approaching 200,000, Roseville has established itself as a regional employment center and retail destination. Roseville's retail sales topped \$2.84 billion in 2010, ranking 13th in the state for total retail sales (City of Roseville, DD&E Profile 2010).

Business ventures in Roseville range from technology, healthcare, agriculture and financial services. Top business employers (and major utility customers) within the city include Hewlett-Packard, Telefunken Semiconductors, Kaiser Permanente Medical Center, Sutter Roseville Medical Center, Union Pacific Railroad, and Pride Industries.

### ***Roseville Electric***

Established in 1912, Roseville Electric (RE) is the City's electric utility provider. Its 120 employees provide service to 55,000 residential and business customers. The mission of Roseville Electric is to improve the quality of life of our community and customers with reliable electricity, competitive prices, exceptional service and a culture of safety.

Roseville Electric has been recognized for many years for its highly reliable service. RE has repeatedly received the ReliabilityOne™ Award, a nationally awarded designation given to highly reliable electric utilities. In 2012, for the third consecutive time, RE received the RP3

Platinum Designation from the American Public Power Association recognizing the Utility's reliability, high work force and excellent customer service standards.

RE owns, operates and maintains over 800 miles of overhead and underground electric lines, 17 substations, and two natural gas fired power plants including the Roseville Energy Park - which generates electricity to meet up to 40 percent of customer needs. The remaining 60 percent is acquired through a variety of sources, such as federal hydroelectric power, joint power agencies and purchased power agreements.

The City's electric system interconnected to a transmission system that is owned and operated by the federal government and Roseville operates its electric system within a balancing area controlled by the Balancing Authority of Northern California.

The utility is responsible for implementing public benefit programs including energy efficiency, solar, low income, as well as educational programs to teach awareness about energy use.

In addition to highly reliable service and competitive rates, City residents and businesses benefit from electric utility revenue providing full funding for operation and maintenance of all City-owned street lights and traffic signals. Additionally, the City Charter provides for financial transfers from the electric utility to support fire, police, library and park services.

### ***Environmental Utilities Department***

The mission of the Environmental Utilities Department is to be a progressive, self-sufficient group of utilities looking for opportunities to serve the public in environmentally-friendly and fiscally-responsible ways. The Department meets the public's needs through provision of five major services: water, wastewater, solid waste, recycled water, and storm water management. The department also co-manages the Utility Exploration Center with Roseville Electric to meet state-mandated public outreach goals.

The Water Utility purchases, treats, and distributes potable water to approximately 40,000 accounts. City staff is responsible for operation and maintenance of a water treatment plant, water storage facilities, wells, pump stations, and interties with surrounding agencies. The Utility is also responsible for implementation of public education and water efficiency programs.

The Wastewater Utility collects and treats wastewater for Roseville and its regional partners – South Placer Municipal Utility District and Placer County. The Utility has also been designated a regional provider of recycled water for areas in the City and Placer County. City staff responsibilities include maintenance of wastewater and recycled water infrastructure within Roseville city limits and operation and maintenance of the two regional wastewater treatment plants on behalf of the regional partners.

The Solid Waste Utility collects, recycles and disposes of refuse for residential and commercial customers, and oversees the maintenance of the closed Roseville Sanitary Landfill.

Environmental Utilities and RE operate under the supervision of the Roseville City Council. The seven member Roseville Public Utilities Commission serves as an advisory board to the City Council on matters pertaining to utilities owned and operated by the City.

### **III. Project Scope**

Through this Request for Proposals (“RFP”) process, the City seeks to engage a highly qualified consultant experienced in conducting operational performance audits of municipal utilities including electric, water, wastewater, and solid waste. The purpose of the audits is to:

1. Perform an organizational scan to evaluate:
  - Structure of the organization.
  - Success in fulfilling each department’s mission.
  - Program staffing levels (primarily for Environmental Utilities. Electric staffing study recently concluded – see list of studies below) and performance of various programs.
  - Use of financial resources by the department.
2. Identify and analyze:
  - Areas where additional analysis is required due to inability to easily understand or evaluate particular programs or missions.
  - Potential “red flags” due to staffing levels, questionable financial expenditures, or performance metrics that are out of line with industry standards. Recommend appropriate performance metrics as necessary.
  - Initial indications of performance issues or misuse of City resources.

The requested performance audits would consider and build upon information presented in multiple studies conducted by the City, including but not limited to:

- *Citywide Organizational Efficiency and Effectiveness Study (“Matrix Study”)* (February 2012)
- *Materials Management for All Asset Groups – Findings and Best Practices Recommendations* (April 2012)
- *Roseville Electric Organizational Assessment* (June 2012)
- *Electric Utility Operations and Workforce Assessment* (December 2012)
- *Roseville Energy Park Operations and Maintenance Options Assessment Study* (December 2012)
- *Evaluation of Roseville Electric’s Risk Management Program* (June 2010)

The preceding studies will be provided upon request after January 3, 2013.

### **IV. Submittal Requirements**

Proposals must be submitted in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements stated below. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal.

## Required Information

1. **Title Page.** Show the name of Respondent's firm, address, telephone number, name of contact person, date and the subject: *Request for Proposals for Operational Performance Audits for the City of Roseville Electric and Environmental Utilities Departments.*
2. **Table of Contents.** Include a clear identification of the material by selection and by page number.
3. **Cover Letter and Executive Summary.** This letter must be signed by an individual who is authorized to negotiate terms, render binding decisions and commit the firm's resources (e.g., the president or executive director if a corporation, the managing partner if a partnership, or the proprietor if a sole proprietorship). The letter must indicate the legal status of the Consultant (sole proprietorship, corporation, etc.) and the year the entity was organized to do business as the entity now substantially exists. Lastly, the letter must indicate the location of the facility from which the Consultant would operate.
4. **Firm Overview.** Provide a brief history and description of your firm's business organization and its auditing expertise and experience as it relates to the requirements discussed previously. Include the location of offices and the number and types of auditors or other relevant professional staff in each office. Include a discussion of the specific expertise and services that distinguish your firm.
5. **Relevant Expertise and Experience.** Provide a narrative statement regarding your auditing experience and experience as it relates to the Project Scope on page 2 of the RFP. Additionally, include a statement regarding your understanding of the requirements as outlined in the RFP. At a minimum your firm must meet the following criteria:
  - Specific experience in conducting performance audits of publicly-owned utilities including electric, water, wastewater, and solid waste is required. Experience completing performance audits for municipal organizations is preferred;
  - A working knowledge of municipal accounting principles, experience with municipal utility operations, and modern management and reporting practices;
  - Experience analyzing the operations of complex organizations resulting in the development and implementation of recommendations that have materially and demonstrably improved long-term effectiveness and efficiency of operations;
  - A demonstrated capability and commitment to assisting the implementation of identified recommendations;
  - Extensive knowledge and experience in the area of both fiscal and management auditing;
  - A track record of demonstrated and meaningful leadership capability;
  - Superior written and verbal skills;
  - Ability to establish rapport and cordial working relationships with key personnel and utilities being audited, while at all times maintaining a posture of objectivity and independence; and,
  - Certified Public Accountant (CPA) and/or Certified Internal Auditor (CIA) preferred.
6. **Description of Project Approach/Methodology.** Provide a comprehensive description of the Consultant's proposed approach and methodology for the operational performance audit. This section should convey Consultant's understanding of the project.

- 7. Proposed Work Plan.** Include all project requirements and the proposed tasks, services, activities, etc. necessary to accomplish the scope of the project defined in this RFP. This section of the proposal shall contain sufficient detail to convey to members of the evaluation team the Consultant's knowledge of the subjects and skills necessary to successfully complete the project. Include any required involvement of City staff. The Consultant may also present any creative approaches that might be appropriate and may provide any pertinent supporting documentation.
- 8. Project Schedule.** Include a project schedule indicating when the elements of the work will be completed and when deliverables will be provided. The schedule shall include an opportunity for review of draft documents. **Note: It is imperative that work be concluded no later than April 30, 2013.** The schedule should identify expectations of City staff necessary to meet this deadline.
- 9. Deliverables.** Fully describe deliverables to be submitted under the proposed contract. At a minimum, a written report detailing the audit findings shall be submitted. Further, findings and recommendations of the audit shall be presented to the City Council at a public meeting.
- 10. Cost Proposal.** The cost proposal shall identify all costs including expenses to be charged for performing the services necessary to accomplish the objectives of the contract. Submit a fully detailed budget including staff costs and any expenses necessary to accomplish the tasks and to produce the deliverables under the contract. For internal accounting purposes, the City desires that the proposal break down the costs by individual utility (electric, water, wastewater, solid waste). The cost proposal should also include, at the City's discretion, an optional line item to perform more detailed analysis of specific topics of concern identified during the course of the performance audit. The evaluation process is designed to award this contract not necessarily to the Consultant of least cost, but rather to the Consultant whose proposal best meets the requirements of this RFP.
- 11. Personnel and References.** Provide the names, proposed roles, background and experience, current professional licenses, office location and availability of the personnel that would perform audit services, and specifically identify the primary person(s) who will be responsible for managing the relationship with the City. Respondent must submit a current resume for all proposed audit staff listing relevant experience and applicable professional affiliations. Provide a list of five references of clients for which your firm has performed similar work within the past three years.

## **V. Addenda and Supplemental Information**

Any and all addenda to the RFP will be provided to all Proposers who received the initial RFP and provided contact information to the City, should it become necessary for the City to make revisions, request additional information, or respond to written inquiries relating to the RFP. It is the responsibility of potential proposers to timely submit contact information to facilitate receipt of addenda and supplemental information requests, if issued.

It may be necessary for the City to request supplemental information from individual Proposers after proposals have been submitted and reviewed. Such information will be

requested in writing to the specific Proposer. This information will become a part of the original proposal submitted by the specific Proposer and will be used by the City in evaluating the proposal and will not be shared with other Proposers during the evaluation, negotiation and award process.

## VI. Selection Process

A Selection Committee appointed by the City will evaluate and rank each Proposal. If necessary, at the Selection Committee’s or City’s discretion, the top-ranked Firms will be invited to make oral presentations.

**Review of Proposal** - The City’s designated selection committee will review responses to the RFP. Selections will be based on completeness of proposals and on which Firms demonstrate the best combination of expertise, experience, project understanding, and approach.

**Evaluation Criteria** – The Selection Committee will evaluate and score proposals on the basis of the responsiveness to the requirements of this RFP. Proposals will be evaluated on the basis of the following criteria:

<b><i>Technical Elements – 40%</i></b>	<b><u>80 points</u></b>
a. Project Approach/Methodology	15 points (maximum)
b. Quality of Work Plan	30 points (maximum)
c. Project Schedule	20 points (maximum)
d. Project Deliverables	15 points (maximum)

<b><i>Management Proposal – 30%</i></b>	<b><u>60 points</u></b>
e. Project Team Structure/Internal Controls	15 points (maximum)
f. Staff Qualifications/Experience	15 points (maximum)
g. Experience of the Consultant	30 points (maximum)

<b><i>Cost Proposal – 30%</i></b>	<b><u>60 points</u></b>
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**GRAND TOTAL FOR WRITTEN PROPOSAL      200 POINTS**

**Oral Interviews** – Firms may or may not be invited to provide a presentation to the Committee and participate in an oral interview.

## VII. Contract Terms

- Liability.** The Consultant shall indemnify, defend, and hold harmless the City, its officers and employees from all claims, demands, or suits in law or equity arising from the Consultant’s negligence or breach of its obligations under the contract. The Consultant’s duty to indemnify shall not apply to liability caused by the sole negligence of the City, its officers and employees. The Consultant’s duty to indemnify for liability arising from the concurrent negligence of the City, its officers and employees and the Consultant, its officers and employees shall apply only to the extent of the negligence of the Consultant, its officers and employees. The Consultant’s duty to indemnify shall survive termination

or expiration of the contract. The Consultant waives, with respect to the City only, its immunity under RCW Title 51, Industrial Insurance.

- 2. Insurance Coverage.** During the term of the contract, the Consultant shall maintain in force at its own expense, the insurance requirements found in Exhibit B. There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without 30 days written notice from the Consultant or its insurer(s) to the City. As evidence of the insurance coverage(s) required by this contract, the Consultant shall furnish acceptable insurance certificates to the City at the time it returns the signed contract. The Consultant shall be financially responsible for all pertinent deductibles, self-insured retentions, and/or self-insurance.

## **VIII. Submittals**

**One unbound original and five bound copies of the proposal must be submitted.** Proposals must be complete to be considered. **Facsimile and electronic mail copies of proposals will not be accepted.**

Proposals must be submitted to:

City of Roseville  
City Clerk's Office  
311 Vernon Street  
Roseville, CA 95678

Proposals must be received **no later than 3:00 PM on Friday, January 25, 2013.** The City will not consider proposals received after this deadline. If you have any questions, please contact Mike Isom at (916) 774-5527.

## **IX. Evaluation Schedule**

The anticipated evaluation schedule for this RFP is as follows:

<b>Task</b>	<b>Deadline</b>
Issue RFP	December 21, 2012
Pre-submittal Meeting	January 14, 2013
Final day to request RFP clarifications (Requests must be submitted in writing)	January 18, 2012
Responses Due	January 25, 2013
Proposer Selection	On or before February 1, 2013
City Council Approval of Contract	February 20, 2013

## **X. Pre-Submittal Meeting**

A Pre-Submittal Meeting is tentatively scheduled for 3:30 PM on Monday, January 14, 2013 at 311 Vernon Street, Civic Center Meeting Rooms 1 & 2. City staff will be available at that time to answer questions. This meeting is not mandatory. If you do not attend but plan to submit a proposal, you must notify Mike Isom at (916) 774-5527 or [misom@roseville.ca.us](mailto:misom@roseville.ca.us). This will ensure that you receive any RFP addenda that may be issued.

## **XI. Non-discrimination Requirement**

By submitting a proposal, the proposer represents that it and its subsidiaries do not and will not discriminate against any employee or applicant for employment on the basis of race, religion, sex, color, national origin, sexual orientation, ancestry, marital status, physical condition, pregnancy or pregnancy-related conditions, political affiliation or opinion, age, or medical condition.

## **XII. City's Rights, Options, and Policies**

1. City reserves the right to make a decision after review of the Proposals with or without oral interviews.
2. **Independent Contractor.** At all times the contractor shall represent himself/herself to be an independent contractor offering such services to the general public and shall not represent himself/herself, or his/her employees, to be an employee of the City of Roseville. Therefore, the contractor shall assume all legal and financial responsibility for taxes, FICA, employee fringe benefits, workers compensation, employee insurance, minimum wage requirements, overtime, etc., and agrees to indemnify, save, and hold the City of Roseville, its officers, agents, and employees, harmless from and against, any and all loss, cost (including attorney fees), and damage of any kind related to such matters.
3. **Non-Appropriation.** The City may terminate any resulting contract at the end of any fiscal year, June 30th, without further liability other than payment of debt incurred during such fiscal year, should funds not be appropriated by its governing body to continue services for which the contract was intended.
4. **Conflict of Interest.** The contractor shall warrant that no official or employee of the City has an interest, has been employed or retained to solicit or aid in the procuring of the resulting contract, nor that any such person will be employed in the performance of such contract without immediate divulgence of such fact to the City. Contractors submitting a proposal in response to this RFP must disclose any actual, apparent, direct, indirect, or potential conflicts of interest that may exist with respect to the contractor or the contractor's management or employees relative to the services to be provided to the City. Conflict of interest issues may require consultation with legal counsel. If a contractor has no conflicts of interest, a statement to that effect must be included in the proposal. Violation of this section shall be a material breach of the contract entitling the City to any and all remedies by law or in equity.
5. **Undue Influence.** The contractor shall warrant that no undue influence or pressure is used against or in concert with any officer or employee of the City in connection with the award or terms of the contract that will be executed as a result of this RFP, including any method of coercion, confidential financial arrangement or financial inducement. No

officer or employee of the City will receive compensation, directly or indirectly, from the contractor, or from any officer, employee or agent of the contractor, in connection with the award of the contract or any work to be conducted as a result of this RFP. Violation of this section shall be a material breach of the contract entitling the City to any and all remedies by law or in equity.

6. **Non-Collusion.** Contractors submitting proposals shall warrant that their offer is made without any previous understanding, agreement or connection with any person, firm or corporation submitting a separate proposal for the same project and is in all respects fair, without outside control, collusion, fraud or otherwise illegal action. This condition shall not apply to proposals which are submitted by firms who have partnered with others to submit a cooperative proposal that clearly identifies a primary contractor and the associated sub-consultants or sub-contractors.
7. **Indemnification & Insurance Requirements.** The City's standard indemnification and insurance requirements are provided in the sample contract, **Attachment B**. All costs of complying with the insurance requirements shall be included in your pricing. The selected contractor shall provide complete and valid insurance certificates within ten (10) days of the City's written request. Failure to provide the documents within the time stated may result in rejection of the contractor's proposal. Alterations to the terms and conditions shall not be allowed.
8. **Cost of Preparing Proposal.** The City will not pay any costs incurred by any contractor in preparing or submitting a proposal in response to this RFP.
9. **Proposals Property of the City.** All documents or materials submitted with or in conjunction with any proposal, including but not limited to electronic files, shall become the property of the City after the proposal submission deadline. No submission documents will be returned. During negotiations, the scope of services may be amended by the City and negotiated based upon ideas provided by other proposers or any other source.
10. **Proposals are Public Records.** All proposals submitted are subject to the public disclosure requirements under the laws of the State of California, unless the City identifies and exercises a right or obligation to exempt any record from public disclosure. However, proposals will not be disclosed until negotiations are complete and a recommendation for selection and award is made to the City Council via a published agenda.
11. **Rejection of RFP.** The City reserves the right to reject any or all proposals, to waive defects or irregularities in any proposal or in the RFP process, and to offer to negotiate or contract with any contractor in response to any RFP. This RFP does not constitute any form of offer to contract.
12. **Increasing/Decreasing Portions of RFP.** The City reserves the right to increase or decrease the amount of any portions of the work represented in the RFP and/or to omit portions of said work, as may be deemed necessary by the City.
13. **Rejection as Non-Responsive.** Proposals may be rejected as non-responsive at the City's sole discretion if there are alterations of form, the proposal is conditional or the proposal is incomplete.

14. **Modifying RFP.** The City reserves the right to modify any portion of, or to postpone or cancel this RFP at any time, and/or reject any and all submissions without indicating any reason.
15. **If no proposal is accepted,** the City may elect to have the services performed in some other manner.
16. **Rejecting Team Members, Firms or Sub-contractors.** The City reserves the right to reject individual team members, firms, sub-consultants or sub-contractors and request substitution prior to contract award.
17. **Local Business, Small Business, Minority and Women Owned Business.** The City highly encourages submission of proposals by local businesses, by small business owners, and by minority and women-owned businesses.
18. **Withdrawal of Proposals.** Proposals may not be withdrawn for ninety (90) days after the due date unless the City enters into a contract with another contractor prior to the expiration of that ninety (90) day period.
19. **Electronic Transmittals.** No electronic mail, telephone or facsimile proposals will be accepted. If a photocopy is submitted, the proposal must be signed in ink.
20. **Proposal Postponement and Amendment.** The City reserves the right to revise or amend the RFP or specifications up to the time set for opening of the proposals. Such revisions and amendments, if any, shall be announced by amendments to this RFP through the City's web site. Copies of such amendments shall be furnished to all prospective proposers. Prospective proposers are defined as those proposers who have registered and are on the City's RFP list for this material/service. If revisions and amendments require changes in quantities, prices or scope of services, the date set for opening of the proposals may be postponed by such number of days as in the opinion of the City shall enable proposers to revise their proposals. Proposals which fail to acknowledge a substantive addendum to the RFP, as determined by the City Attorney's Office, on the City supplied addendum form will be rejected as non-responsive. Any revisions or amendments to the RFP will become incorporated into any contract awarded pursuant to the RFP.
21. **Proprietary Information.** Proposers submitting a proposal in response to this RFP must provide a statement that nothing contained in the submitted proposal will be proprietary. However, if a proposer desires to claim a privilege against public disclosure for a trade secret or other proprietary information, such information must be submitted with the proposal in a separate envelope marked "confidential." The City Attorney's Office will determine if the information is in fact proprietary, based on state and federal law. Note that under California law, a price proposal to a public agency is not a trade secret. The contractor shall defend, indemnify and hold harmless the City regarding any claim by any third party for the public disclosure of the "confidential" portion of the proposal.
22. **Right to Request Additional Information.** During the evaluation process, the City reserves the right, where it may serve the best interests of the City, to request additional information and clarifications from contractors.

23. **Notification of Withdrawal of Proposal.** Proposals may be withdrawn prior to the date and time specified for proposal submission with a formal written notice by an authorized representative of the proposer delivered to the City Clerk's Office.
24. **Modification of Proposals.** Modification of a proposal already received will be considered only if the modification is received prior to the deadline date for receiving proposals. All modifications shall be made in writing, executed, and submitted in the same form and manner as the original proposal.
25. **Examination of Contract Documents.** Each proposer shall thoroughly examine and be familiar with the terms of this RFP, the sample contract attached as Attachment A, legal and procedural documents, general conditions, specifications, and addenda (if any), which will constitute the contract documents. Submission of a proposal shall constitute acknowledgement, upon which the City may rely, that the proposer has thoroughly examined and is familiar with the contract documents. Failure or neglect of a proposer to receive or examine any of the contract documents shall in no way relieve the proposer of any obligation with respect to their proposal or to the contract. No claim for additional compensation will be allowed which is based upon lack of knowledge of any contract document.

#### **Exhibits**

Exhibit A – Standard City Professional Services Agreement

Exhibit B – City Insurance Coverage Requirements

**PROFESSIONAL SERVICES AGREEMENT**

Project: \_\_\_\_\_

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_,  
by and between the City of Roseville, a municipal corporation ("CITY"), and \_\_\_\_\_  
\_\_\_\_\_, a \_\_\_\_\_ ("CONSULTANT"); and

W I T N E S S E T H:

WHEREAS, CITY desires professional services consisting of \_\_\_\_\_  
\_\_\_\_\_; and

WHEREAS, CONSULTANT has prepared a proposal dated \_\_\_\_\_,  
which describes the scope of work to be performed by CONSULTANT, the budget for the work,  
and the schedule for performance of the work; and

WHEREAS, CONSULTANT is qualified and experienced to provide professional  
services related to \_\_\_\_\_;

NOW, THEREFORE, the parties agree as follows:

1. Services. CONSULTANT shall perform, at the direction of City, the scope of services as described in EXHIBIT "A," attached hereto and incorporated herein by this reference.
2. Compensation. For its services provided hereunder, CONSULTANT shall be compensated on a time and expense basis in accordance with the budget estimate as described in EXHIBIT "B," attached hereto and incorporated herein by this reference. Total compensation

shall not exceed \_\_\_\_\_ dollars  
(\$\_\_\_\_\_).

CONSULTANT shall submit monthly invoices for its services. Such invoices shall be delineated by task, the person performing the services, and the hourly rate, which shall be stated in time increments of not greater than one-tenth (1/10) hours. CITY shall pay invoices within thirty (30) days after receipt, if the services specified in the invoice have been satisfactorily completed.

3. Indemnification. CONSULTANT shall defend, indemnify, and save and hold harmless CITY, its officers, agents, employees and volunteers from any claims, suits or actions of every name, kind and description brought forth, or on account of, injuries to or death of any person (including but not limited to workers and the public), or damage to property, resulting from or arising out of CONSULTANT's willful misconduct or negligent act or omission while engaged in the performance of obligations or exercise of rights created by this Agreement, except those matters arising from CITY's sole active negligence. The parties intend that this provision shall be broadly construed.

4. Insurance. CONSULTANT agrees to continuously maintain, in full force and effect, at a minimum the following policies of insurance during the term of this Agreement.

<u>COVERAGE</u>	<u>LIMITS OF LIABILITY</u>
Workers Compensation	Statutory
Commercial General Liability	\$1,000,000 each occurrence \$2,000,000 aggregate Personal Injury: \$1,000,000 each occurrence \$2,000,000 aggregate

Automobile Liability

Bodily Injury:

\$500,000 per person

\$1,000,000 per accident

Property Damage:

\$100,000 per occurrence

Professional Liability (errors and omissions)

\$1,000,000 per claim

CONSULTANT shall submit a certificate evidencing such coverage in a form satisfactory to the City Attorney of CITY, prior to undertaking any work hereunder. CONSULTANT shall also provide a separate endorsement form or section of the policy showing CITY, its officers, agents and employees as additional named insureds for each type of coverage, except for Workers' Compensation and Professional Liability. Such insurance shall specifically cover the contractual liability of CONSULTANT. The coverage shall be primary as to such additional insureds and no coverage of the CITY shall be called upon to contribute to a loss. In addition, the insurance policy may not contain language which prohibits additional insureds or other insurers from satisfying the self-insured retention or deductible. CONSULTANT shall provide thirty (30) days written notice to CITY prior to cancellation or modification of any insurance required by this Agreement. CONSULTANT shall furnish a certificate for the period covered by this Agreement. Any insurance written on a claims made basis is subject to the approval of the City Attorney. Insurance coverage in the minimum amounts set forth herein shall not be construed to relieve CONSULTANT of liability in excess of such coverage, nor shall it preclude CITY from taking such other actions as are available to it under any other provisions of this Agreement or law. Any deductibles or self-insured retentions must be declared on the certificate of insurance and approved by CITY in writing.

5. Access to Records. Duly authorized representatives of CITY shall have right of access during normal business hours to CONSULTANT's files and records relating to the services performed hereunder, and may review the files and records at appropriate stages during performance of the services.

6. Time is of the Essence. Time is of the essence of this Agreement.

7. Compliance with Laws. CONSULTANT will comply with all federal, state and local laws, ordinances and policies as may be applicable to the performance of services under this Agreement.

8. Ability to Perform. CONSULTANT agrees and represents that it has the time, ability and professional expertise to perform the services required under this Agreement.

9. Governing Agreement. In the event of any conflict between this Agreement and its EXHIBITS, the provisions of this Agreement shall govern. In the event of any conflict between any of the EXHIBITS, the provisions of the first in order of attachment shall govern.

10. Assignment. CONSULTANT is employed to perform unique personal services. CONSULTANT shall not assign this Agreement without the prior written consent of City. CONSULTANT shall not employ or otherwise incur any obligation to pay other specialists or experts for services in connection with this Agreement, without prior written consent of CITY.

11. Independent Contractor. CONSULTANT shall act as an independent contractor, and covenants and agrees that it will conduct itself consistent with such status, that it will neither hold itself out as, nor claim to be, an officer or employee of CITY by reason of this Agreement.

12. Representation and Warranties. CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working for CONSULTANT, to solicit or secure this Agreement, and that it has not paid or agreed to pay any

company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, CITY shall have the right to terminate as void this Agreement, without liability, or, in its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

13. Successors in Interest. This Agreement shall be binding upon the heirs, successors, executors, administrators and assigns of the respective parties hereto.

14. Copyright, Ownership and Use of Materials. All tangible materials (“Material”) created or delivered pursuant to this Agreement is considered a work made for hire under the Copyright Act. To the extent such Material does not qualify as a work made for hire, CONSULTANT hereby assigns to CITY all right, title, and interest, including but not limited to all copyrights, in all Material created by CONSULTANT in its performance under this Agreement. Material constitutes the scope of work outlined in Exhibit A and attached hereto, and all written and other tangible expressions, including but not limited to, drawings, papers, documents, reports, surveys, renderings, exhibits, sketches, maps, models, prints, paintings or photographs, in any and all media or formats in which such materials have been created or are maintained. All Material furnished by CONSULTANT is, and shall remain, the property of CITY.

CONSULTANT shall execute any documents necessary to effectuate such assignment. In the event that CONSULTANT uses, employs, designates, or retains any person or entity who is not an employee of CONSULTANT, to perform any work required of it pursuant to this

Agreement, CONSULTANT shall require said person or entity to execute an agreement containing the preceding paragraph.

15. Termination of Agreement. The City may terminate this Agreement without cause by giving CONSULTANT ten (10) days advance written notice from the City Manager. CONSULTANT may terminate this Agreement without cause by giving CITY thirty (30) days advance written notice. In the event of termination through no fault of CONSULTANT, CITY shall compensate CONSULTANT for services performed as of the date of termination, upon the release to CITY of all Material hereunder, in any and all media or formats in which such materials have been created or are maintained. CITY retains the right to receive and use any MATERIAL, notwithstanding any termination or any dispute regarding the amount to be paid.

16. Attorney's Fees; Venue; Governing Law. If either party commences any legal action against the other party arising out of this Agreement or the performance thereof, the prevailing party in such action shall be entitled to recover its reasonable litigation expenses, including but not limited to, court costs, expert witness fees, discovery expenses, and attorney's fees. Any action arising out of this Agreement shall be brought in Placer County, California, regardless of where else venue may lie. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

17. Modification. This Agreement and each provision contained herein may be waived, amended, supplemented or eliminated only by mutual written agreement of the parties.

18. Severability. If any of the provisions contained in this Agreement is for any reason held invalid or unenforceable, such holding shall not affect the remaining provisions or the validity and enforceability of the Agreement as a whole.

19. Notices. Any notices to parties required by this Agreement shall be delivered personally or mailed, U.S. first class postage prepaid, addressed as follows:

CITY OF ROSEVILLE

CONSULTANT

_____	_____
_____	_____
_____	_____
_____	_____

Either party may amend its address for notice by giving notice to the other party in writing.

20. Integrated Agreement. This is an integrated agreement and contains all of the terms, considerations, understanding and promises of the parties. It shall be read as a whole.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attested to by its City Clerk under the authority of Resolution No. \_\_\_\_\_, adopted by the Council of the City of Roseville on the \_\_\_ day of \_\_\_\_\_, 20\_\_, and CONSULTANT has caused this Agreement to be executed.

CITY OF ROSEVILLE, a  
municipal corporation

\_\_\_\_\_, a  
\_\_\_\_\_

BY: \_\_\_\_\_  
RAY KERRIDGE  
City Manager

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

and

ATTEST:

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

BY: \_\_\_\_\_  
SONIA OROZCO  
City Clerk

APPROVED AS TO FORM:

BY: \_\_\_\_\_  
BRITA J. BAYLESS  
City Attorney

APPROVED AS TO SUBSTANCE:

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



**RISK MANAGEMENT DIVISION  
GENERAL INSURANCE REQUIREMENTS**

**Proof of insurance must be provided on a *CERTIFICATE OF INSURANCE*. This document must be signed. A stamped signature will suffice.**

<b>Types of Insurance Required:</b>	<b>General Liability – 1M per occurrence/2M aggregate</b> <i>(coverage must be as broad as the standard ISO form)</i> <b>Automobile – 300/500/100</b> <b>Workers’ Compensation - Statutory</b> <b>Professional Liability – 1M per occurrence</b>
<b>**Coverage Limits:**</b>	<b>Vary (based on type of work to be performed)</b> <b>See above</b>  <b>Self-Insured Retention (SIR) or deductibles amounts must be stated on the certificate</b>
<b>**Additional Insured: **</b> <i>The insurance policy may not contain language which prohibits additional insured or other insurers from satisfying the self-insured retention or deductible.</i>	<b>Required on <u>General Liability</u> Insurance.</b> A separate endorsement form or section of the policy indicating “The City of Roseville, its officers, agents, volunteers and employees” are named as an additional insured for on-going and completed operations must accompany the certificate. <b><u>A STATEMENT ON THE CERTIFICATE WILL NOT SUFFICE.</u></b>
<b>Certificate Holder:</b>	The Certificate Holder on the <i>Certificate of Insurance</i> is “The City of Roseville, attn Risk Management, 311 Vernon St., Roseville CA 95678”.
<b>Primary Insurance:</b>	The General Liability policy must be primary insurance as to the City of Roseville. Companies issuing such policies shall be liable up to the total amount of liability without right of contribution from the City of Roseville or its insurers.
<b>Description of Operations:</b>	This box should contain information on the project being insured. For companies doing various projects with the City an “ <b>All California Operations</b> ” description is adequate.
<b>Cancellation Notice:</b>	The City requires a 30-day cancellation notice. Ten (10) day for non-payment is acceptable.
<b>Approval Process:</b>	Proof of insurance for all insurance coverage required by the Agreement must be approved and on file with the City <b>before</b> the Agreement can be executed.
<b>Questions:</b>	If you have questions regarding insurance requirements you may contact the Risk Management Division: <b>Phone:(916) 774-5202.</b> <b>FAX: (916) 774-5461</b> <b>Email:riskmanagement@roseville.ca.us</b>