



Agenda Report

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File #: 19-0580

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**AGENDA REPORT  
REQUEST FOR CITY COUNCIL AND  
CORONA UTILITY AUTHORITY ACTION**

DATE: 06/19/2019

TO: Honorable Mayor and City Council Members  
Honorable President and Board Members

FROM: Department of Water and Power

SUBJECT:

City Council and Corona Utility Authority consideration of a Third Amendment to the Professional Services Agreement with G&G Environmental Compliance, Inc.

**RECOMMENDED ACTION:**

That the:

1. City Council approve a Third Amendment to the Professional Services Agreement with G&G Environmental, Inc. of Riverside, CA, for Regulatory Compliance Services extending the agreement for a three-month term to September 30, 2019, and authorize an increase in total compensation by \$300,525, based on the findings noted in this report.
2. City Council authorize the General Manager to execute the Third Amendment with G&G Environmental Compliance, Inc. and execute non-substantive extensions, change orders and amendments up to the amount provided by Corona Municipal Code Section 3.08.060(J) pursuant to Ordinance No. 2790 which states, "**Dollar limits and change orders or amendments.** The dollar limits indicated herein shall apply to the original contract and to any amendments or change orders. To this end, therefore, unless an exception provided in § 3.08.140 below applies, any contract amendment or change order which would increase the contract amount above any threshold stated herein shall comply with the requirements applicable to the increased contract amount. For maintenance and other general service projects awarded by the City Council, unless a lower or higher amount is stated in the City Council staff report for the project or directed by the City Council, the City Manager or his or her designees shall have authority to approve contract amendments or change orders up to the lesser of either \$100,000 or 10% of the original contract amount."

3. City Council authorize the Purchasing Agent to issue a Purchase Order to G&G Environmental Compliance, Inc. in the amount of \$300,525 for Fiscal Year 2019-20.
4. Corona Utility Authority (CUA) review, ratify and to the extent necessary direct that the City Council take the above actions.

**ANALYSIS:**

The Department of Water and Power (DWP) and the Fire Department are requesting approval of a Third Amendment to the Professional Services Agreement with G&G Environmental Compliance to extend the term of the agreement from June 30, 2019 to September 30, 2019 and a total compensation of \$300,525 for that time period. The current agreement and purchase order will expire on June 30, 2019. The Purchasing Division is aware of the need to bid four of the five services and DWP staff is working closely with Purchasing staff to complete the bid and present to the City Council and Corona Utility Authority for approval before September 30, 2019. The attached Third Amendment reflects the new expiration date of September 30, 2019, and the increased compensation amount. It should be noted that while the Third Amendment shows a total compensation of \$1,482,400, the City is only requesting the increased compensation amount of \$300,525 for the next three months to allow the City time for bidding but because we are extending the contract it reflects as the full value of the Fiscal Year 2018-19 contract plus the additional three months.

**Solicitation History and G&G Environmental Contract Award**

The original contract was established by City Council approval of the Professional Services Agreement for Regulatory Compliance Services based on Request for Proposals (RFP) DWP 14-122KM on June 4, 2014. The RFP was posted on the City's website and formally advertised in the Press Enterprise. The RFP included five proposal categories and received responses for each service category as follows:

<b>Proposal Category</b>	<b>Number of Firms Providing Proposals</b>
Hazardous Materials Inspection Program	1
Backflow Prevention Program	1
Cross Connection Control	1
Reclaimed Water Conversions	2
Source Control/Pre-treatment	2

DWP staff evaluated each proposal according to the following RFP evaluation criteria:

<b>Criteria</b>	<b>Weighted Percentage</b>
Qualifications of firm	30%
Qualifications of assigned personnel	20%
Related Experience	30%
Completeness of response	10%
Reasonableness of cost and price	10%
<b>Total</b>	<b>100%</b>

DWP staff received two responsible and responsive proposals for Reclaimed Water Conversions from G&G Environmental Compliance, Inc. and John Robinson Consulting who scored 87% and 70%, respectively.

DWP staff received two responsible and responsive proposals for the Source Control and Industrial Pretreatment program from G&G Environmental Compliance, Inc. and Environmental Engineering & Contracting, Inc. scoring 92% and 79%, respectively.

Although the scoring criteria were more heavily weighted toward qualifications and experience, G&G Environmental Compliance, Inc. scored high in the evaluation criteria category of reasonableness of cost and price.

DWP staff received one proposal each for the Backflow Prevention program, Cross-Connection Control program, and Hazardous Materials Inspections program from G&G Environmental Compliance, Inc. G&G Environmental Compliance, Inc. was the only responsible and responsive proposer for these three RFP categories. Based on DWP's evaluation of the proposals, staff recommended award to G&G Environmental Compliance as the most qualified firm. Further, the City Council provided approval for the Purchasing Manager to issue a purchase order for five fiscal years beginning with Fiscal Year 2014-15.

#### *Contract Amendment History and Current Request*

A First Amendment was entered into on April 20, 2015, to increase the original compensation amount of \$945,500 by \$236,375 for a total agreement amount of \$1,181,875 for Fiscal Years 2014-15 and 2015-16; compensation was to return to \$945,500 for the remaining term of the agreement. The increased compensation was within the allowed 25% change order authority. A Second Amendment was entered into on April 11, 2017 to increase compensation by \$236,375 for a total agreement amount of \$1,181,875 for the remaining term of the agreement which is June 30, 2019. These increases were due to an increased need for reclaimed water conversions and cross-connection services due to the Governor's declared drought state and the State Water Resources Control Board regulations requiring a drastic reduction in potable water consumption. At that time, DWP implemented a more aggressive approach to reclaimed water conversions which required the City to increase the use of G&G's services. Once those conversions occur, then sites become part of the City's ongoing cross-connection program to ensure the reclaimed water connections don't represent a cross-connection with the potable water distribution system.

DWP utilizes the services of a regulatory compliance firm to assist with implementation and administration of several of the City's regulatory compliance programs including the five service categories that include backflow prevention, cross-connection control, reclaimed water conversions, source control and industrial pre-treatment, and hazardous materials inspections. A compensation breakdown is shown by service category in the fiscal impact section below. This is considered an anticipated budget because there may be unforeseen circumstances that require more usage in one category versus another.

#### *Regulatory Compliance Service Categories*

Backflow prevention includes the coordination, testing, retesting, and administrative functions required to support the Backflow Prevention program. The program is necessary to prevent contamination of the City water supply. The Backflow Prevention Program is mandated by state and

federal law. DWP has approximately 5,100 backflows that require annual coordination and testing. The backflow prevention program is required by Title 17 of the California Code of Regulations. Title 17 requires public water systems to use backflow prevention devices and establishes where backflow prevention devices should be placed. Title 17 requires backflow prevention devices be tested at least once per year. DWP has two methods for implementing this program:

1. Test the backflows directly using a third-party contractor (i.e. G&G Environmental Compliance)  
or
2. Require the backflow owner to conduct the testing and report the test results to the City.

DWP has utilized Option 1 for the past five years. Option 2 is acceptable but required significant staff effort and coordination and was ultimately less effective than conducting the testing. It is also important to note that DWP has seen an increase in backflow prevention devices in the water system because all new homes require fire sprinklers and fire sprinkler systems require backflow prevention devices. DWP charges a nominal monthly fee on the water bill for all backflow prevention devices to support the implementation of the program.

Cross-Connection Control includes the coordination, inspections, testing, permitting, and administrative functions required to support the ongoing Cross-Connection Control Program. As part of the City's reclaimed water program, DWP is required by Title 17 of the California Code of Regulations to conduct annual inspections of all existing reclaimed water sites. In addition, DWP is required to perform cross-connection testing at all reclaimed water sites once every four years to ensure continued protection of the City's drinking water system. DWP currently has over 320 reclaimed water connections requiring annual inspections and cross-connection control tests every four years in addition to any new sites that are added to the reclaimed water system each year.

Reclaimed Water Conversions includes the site work, inspection, testing, permitting, and administrative functions required to support new site conversions to use reclaimed water. To save drinking water for human consumption and higher end uses, the City of Corona has constructed an extensive reclaimed water distribution system for irrigation purposes. Reclaimed water is high quality water that has been purified and disinfected in the City's own water reclamation facilities and is used mostly for landscape irrigation. The use of reclaimed water allows the City to save drinking water for homes and businesses. The City has been serving reclaimed water to customers since the summer of 2006 and has made substantial progress with its reclaimed water projects this year. We currently serve 383 connections that use 3.51 million gallons per day on average, with many more sites preparing to be converted. The conversion process requires an extensive testing procedure to ensure no cross-connections between the City's potable drinking water system and the reclaimed water system.

Source Control and Industrial Pretreatment includes the inspections, monitoring, permitting, coordinating and administrative functions required to support the Source Control Program. This program is designed to prevent unauthorized discharge of industrial strength waste into the sanitary sewer that could potentially disrupt the wastewater treatment system. This program is mandated by Title 40 of the Code of Federal Regulations Chapter 403 (40 CFR 403) administered by the United States Environmental Agency (US EPA). DWP has approximately 32 permitted industries that require annual inspections, monitoring and possible enforcement actions. The permitted industries pay annual permit fees based on the permit type as well as surcharges monthly if the industrial user exceeds their permitted constituent levels. DWP has approximately 473 restaurants that are

inspected bi-annually for the Fats, Oils & Grease (FOG) Program along with 17 Dry Cleaners that are inspected annually.

Hazardous Materials Inspections includes the inspections, coordinating, and reporting functions required to comply with the California Environmental Protection Agency Unified Program. The program enhances the City's ability to handle hazardous material emergencies when they occur at Corona businesses. This results in greater safety for our public safety personnel who respond to these emergencies, greater safety for persons at the business involved in the emergency, as well as overall greater safety for the community at large. This activity is currently performed by the City of Corona's Fire Department. The City has nearly 800 businesses requiring inspections every 3 years. The Fire Department requested funding for Fiscal Year 2019-20 to conduct the inspection program with in-house staff which will require the Fire Department to bring staff on board, conduct training and implement program startup inhouse. Assuming this request is approved by City Council, this program will take a few months to get started; and, as such, the Fire Department requests the services of G&G Environmental Consulting through September 30, 2019 to allow the Department time to bring staff on board and take responsibility for the inspection services to be performed. After September 30, 2019, there will not be a need for the City to conduct the bidding process for this particular service category.

**COMMITTEE ACTION:**

Not applicable.

**STRATEGIC PLAN:**

Not applicable.

**FISCAL IMPACT:**

Funding for the recommended action is included in the proposed Fiscal Year 2019-20 Department of Water and Power operations budget and the Fire Department's General Fund budget. The backflow prevention, cross connection control, reclaimed conversions, and source control/pre-treatment programs will be funded by the Water, Reclaimed Water, and Water Reclamation Utility Funds. The backflow and source control/pre-treatment program costs are recovered from program fees. The hazardous materials inspection program will be funded by the Fire Department's operating budget within the General Fund. The hazardous materials inspection program costs are recovered from program fees.

<b>Program</b>	<b>Anticipated 3-Month Budget</b>
Backflow Prevention	\$93,000
Cross Connection Control	\$114,000
Reclaimed Conversions	\$7,500
Source Control/Pretreatment	\$70,175
Hazardous Materials	\$15,850
<b>Total</b>	<b>\$300,525</b>

**ENVIRONMENTAL ANALYSIS:**

No environmental review is required because the proposed action is not a project governed by the California Environmental Quality Act.

**PREPARED BY:** KATIE HOCKETT, ASSISTANT GENERAL MANAGER

**REVIEWED BY:** TOM MOODY, GENERAL MANAGER

**REVIEWED BY:** CHRIS COX, DEPUTY FIRE CHIEF

**REVIEWED BY:** CITA LONGSWORTH, PURCHASING MANAGER

**REVIEWED BY:** KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

**REVIEWED BY:** MICHELE NISSEN, ASSISTANT CITY MANAGER

**SUBMITTED BY:** MITCHELL LANSDELL, ACTING CITY MANAGER & EXECUTIVE DIRECTOR

**Attachments:**

1. Third Amendment Change Order Matrix
2. Third Amendment to the Professional Services Agreement with G&G Environmental Compliance, Inc.
3. Second Amendment to the Professional Services Agreement with G&G Environmental Compliance, Inc.
4. First Amendment to the Professional Services Agreement with G&G Environmental Compliance, Inc.
5. Agenda Report from June 4, 2014 awarding RFP DWP 14-122KM and approving a Professional Services Agreement with G&G Environmental Compliance, Inc.

**FY 14-15 Awarded Funding as approved by CC 4/2014 Report 3.G.1**

Original Award CC Approval on Agenda report 3.G.1 (Year 2014)

First Amendment 4/2015; PO change order to increase

New total compensation

\$945,500	
\$236,375	25%
<b>\$1,181,875</b>	

**FY 15-16 Awarded Funding as approved by CC 4/2014 Report 3.G.1**First Amendment ***also authorized*** for this fiscal year; PO change order to increase

\$945,500	
\$236,375	25%
<b>\$1,181,875</b>	

**FY 16-17 Awarded Funding as approved by CC 4/2014 Report 3.G.1**Second Amendment 4/2017 ***also authorized*** for this fiscal year; PO change order to increase

\$945,500	
\$236,375	25%
<b>\$1,181,875</b>	

**FY 17-18 Awarded Funding as approved by CC 4/2014 Report 3.G.1**Second Amendment 4/2017 ***also authorized*** for this fiscal year; PO change order to increase

\$945,500	
\$236,375	25%
<b>\$1,181,875</b>	

**Current State of Contract/Funding****FY 18-19 Awarded Funding as approved by CC 4/2014 Report 3.G.1**

Second Amendment 4/2017 authorized PO change order to increase

\$945,500	
\$236,375	25%
<b>\$1,181,875</b>	

**Current Action presented in 6/19 Council Agenda report****Request of addt'l funds for July 1 - September 30th - on the 6/19 Council Agenda**

	Pending CC approval- The 2014 award bid has expired. This is an ADDITIONAL 25% to carry us to 3 additional months
\$300,525	25%
<b>\$1,482,400</b> New total after CC approval is provided	

**THIRD AMENDMENT TO  
PROFESSIONAL SERVICES AGREEMENT**

**BETWEEN THE CITY OF CORONA  
AND  
G & G ENVIRONMENTAL COMPLIANCE, INC.**

**1. PARTIES AND DATE.**

This Third Amendment to the Professional Services Agreement (“Third Amendment”) is made and entered into this 19<sup>th</sup> day of June, 2019 by and between the City of Corona (“City”) and G & G Environmental Compliance, Inc., a California Corporation (“Consultant”). City and Consultant are sometimes individually referred to as “Party” and collectively as “Parties” in this Third Amendment.

**2. RECITALS.**

21 Agreement. City and Consultant entered into that certain Professional Services Agreement dated June 4, 2014 (“Agreement”), whereby Consultant agreed to provide Regulatory Compliance services.

22 Amendment Purpose. City and Consultant desire to amend the Agreement for the Third time in order to (1) extend the term of the Agreement through September 30, 2019; (2) increase the Compensation by \$300,525 to \$1,482,400 for date ending September 30, 2019 in accordance with City Council authorization on June 19, 2019 (3) replace Exhibit “C-1” (Compensation) with Exhibit “C-2” (Compensation).

**3. TERMS.**

3.1 Term. Section 3.1.2 (Term) of the Agreement, is hereby deleted in its entirety and replaced with the following:

“3.1.2 Term. The term of this Agreement shall be from June 4, 2014 to September 30, 2019 (“Term”), unless earlier terminated as provided herein. Consultant shall complete the Services within the Term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the Term of this Agreement one or more times by executing a written amendment pursuant to Section 3.6.9 below (each a “Renewal Term”). The terms “Term” and “Renewal Term” may sometimes be generally and collectively referred to as “Term” in this Agreement.”



32     Compensation. Section 3.3.1 (Compensation) and Exhibit “C-1” (Compensation) of the Agreement, as amended by the Second Amendment, are hereby deleted in their entirety and replaced with the following:

“3.3.1 Rates & Total Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under the Agreement at the rates set forth in Exhibit “C-2” attached hereto and incorporated herein by reference. The total compensation, including authorized reimbursements, shall not exceed One Million Four Hundred Eighty Two Thousand Four Hundred Dollars (\$1,482,400) during year ending September 30, 2019 (“Total Compensation”) without written approval of the City’s Representative. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.”

33     Continuing Effect of Agreement. Except as amended by this Third Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Third Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement as amended by this Third Amendment.

34     Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Third Amendment.

35     Counterparts. This Third Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

**[SIGNATURES ON FOLLOWING PAGE]**

**SIGNATURE PAGE FOR THIRD AMENDMENT TO  
PROFESSIONAL SERVICES AGREEMENT  
BETWEEN THE CITY OF CORONA  
AND G & G ENVIRONMENTAL COMPLIANCE, INC.**

IN WITNESS WHEREOF, the Parties have entered into this Third Amendment to Professional Services Agreement as of the 19<sup>th</sup> day of June, 2019.

**CITY OF CORONA**

By: \_\_\_\_\_  
Tom Moody  
General Manager

Reviewed By: \_\_\_\_\_  
Katie Hockett  
Assistant General Manager

Reviewed By: \_\_\_\_\_  
Cita Longworth  
Purchasing Manager

Attest: \_\_\_\_\_  
Sylvia Edwards  
City Clerk

**G & G ENVIRONMENTAL COMPLIANCE, INC.  
a California Corporation**

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Title (Print)

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Title (Print)

## EXHIBIT "C-2" COMPENSATION

The total Compensation shall not exceed \$1,463,000 without authorized written approval of the City's Representative.

Scope of Work Category: Backflow Prevention					
Item	Description	Unit of Measure	Quantity	Cost/Unit	Subtotal
001	Project Manager	Hour	78	\$105/hour	\$ 8,190
002	Technical Lead	Hour	124	\$95/hour	\$ 11,780
003	Lead Tester	Hour	314	\$85/hour	\$ 26,690
004	Sub-contracted Tester	Hour	910	\$80/hour	\$ 72,800
005	G&G Staff Testers	Hour	1,390	\$72/hour	\$ 100,080
006	Administrative Support	Hour	830	\$60/hour	\$ 49,800
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 12,000
Program Total					\$ 281,400

Scope of Work Category: Cross-Connection Control					
Item	Description	Unit of Measure	Quantity	Cost/Unit	Subtotal
001	Project Manager	Hour	124	\$105/hour	\$ 13,020
002	Technical Lead	Hour	238	\$95/hour	\$ 22,610
003	Lead Specialist	Hour	926	\$90/hour	\$ 83,340
004	Sub-contracted Specialist	Hour	300	\$90/hour	\$ 27,000
005	Specialist Support Team	Hour	1,310	\$72/hour	\$ 94,320
006	Administrative Support	Hour	366	\$60/hour	\$ 21,960
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 3,500
Program Total					\$ 265,700

Scope of Work Category: Reclaimed Water Conversions					
Item	Description	Unit of Measure	Quantity	Cost/Unit	Subtotal
001	Project Manager	Hour	8	\$105/hour	\$ 840
002	Technical Lead	Hour	29	\$95/hour	\$ 2,755
003	Lead Specialist	Hour	806	\$90/hour	\$ 72,540
004	Sub-contracted Specialist	Hour	154	\$90/hour	\$ 13,860
005	Administrative Support	Hour	40	\$60/hour	\$ 2,400
006	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 2,000
Program Total					\$ 94,400

**EXHIBIT "C-2"**  
**COMPENSATION- CONT'D**

<b>Scope of Work Category: Source Control &amp; Industrial Pretreatment</b>					
<b>Item</b>	<b>Description</b>	<b>Unit of Measure</b>	<b>Quantity</b>	<b>Cost/Unit</b>	<b>Subtotal</b>
001	Project Manager	Hour	103	\$105/hour	\$ 10,815
002	Technical Lead	Hour	700	\$95/hour	\$ 66,500
003	Grade IV Inspector	Hour	485	\$85/hour	\$ 41,225
004	Grade II Inspector	Hour	630	\$72/hour	\$ 45,360
005	Inspector Trainee	Hour	1,055	\$45/hour	\$ 47,475
006	Administrative Support	Hour	300	\$60/hour	\$ 18,000
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 12,000
<b>Program Total</b>					<b>\$ 241,400</b>

<b>Scope of Work Category: Hazardous Materials Inspection Program</b>					
<b>Item</b>	<b>Description</b>	<b>Unit of Measure</b>	<b>Quantity</b>	<b>Cost/Unit</b>	<b>Subtotal</b>
001	Project Manager	Hour	40	\$105/hour	\$ 4,200
002	Technical Lead	Hour	163	\$95/hour	\$ 15,485
003	Lead Inspector	Hour	164	\$85/hour	\$ 13,940
004	Inspector II	Hour	164	\$72/hour	\$ 11,808
005	Inspector I	Hour	179	\$60/hour	\$ 10,740
006	Administrative Support	Hour	90	\$60/hour	\$ 5,400
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 1,000
<b>Program Total</b>					<b>\$ 62,600</b>

**SECONDAMENDMENT TO  
PROFESSIONAL SERVICES AGREEMENT**

**BETWEEN THE CITY OF CORONA  
AND  
G & G ENVIRONMENTAL COMPLIANCE, INC.**

**1. PARTIES AND DATE.**

This **Second** Amendment to the Professional Services Agreement (“**Second** Amendment”) is made and entered into this **11<sup>th</sup>** day of **April, 2017** by and between the City of Corona (“City”) and **G & G Environmental Compliance, Inc., a California Corporation** (“Consultant”). City and Consultant are sometimes individually referred to as “Party” and collectively as “Parties” in this **Second** Amendment.

**2. RECITALS.**

2.1 Agreement. City and Consultant entered into that certain Professional Services Agreement dated **June 4, 2014** (“Agreement”), whereby Consultant agreed to provide **Regulatory Compliance** services through **June 30, 2019**.

2.2 Prior Amendment(s). City and Consultant entered into that certain **First** Amendment to the Professional Services Agreement dated **April 20, 2015** (“**First** Amendment”).

2.3 Amendment Purpose. City and Consultant desire to amend the Agreement for the **Second** time in order to increase the Compensation by **\$236,375** to **\$1,181,875** for fiscal year ending **June 30, 2017, June 30, 2018** and **June 30, 2019** in accordance with the General Manager’s change order authority provided for in CMC section 3.08.070(i).

**3. TERMS.**

3.1 Compensation. Section 3.3.1 (Compensation) as amended by the **First** Amendment, is hereby deleted in its entirety and replaced with the following:

“3.3.1 Rates & Total Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under the Agreement at the rates set forth in Exhibit “C-1” attached hereto and incorporated herein by reference. The total compensation, including authorized reimbursements, shall not exceed **One Million One Hundred Eighty One Thousand Eight Hundred Seventy Five Dollars (\$1,181,875)** during fiscal year ending **June 30, 2017, June 30, 2018** and **June 30, 2019** (“Total Compensation”) without written approval of the City’s Representative. Extra Work may be authorized, as described

3.2 Continuing Effect of Agreement. Except as amended by this **Second** Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this **Second** Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement as amended by this **Second** Amendment.

3.3 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this **Second** Amendment.

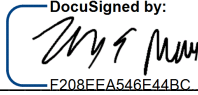
3.4 Counterparts. This **Second** Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.


**[SIGNATURES ON FOLLOWING TWO PAGES]**

**CITY'S SIGNATURE PAGE FOR**  
**CITY OF CORONA SECOND AMENDMENT TO**  
**PROFESSIONAL SERVICES AGREEMENT**  
**WITH G & G ENVIRONMENTAL COMPLIANCE, INC.**

IN WITNESS WHEREOF, the Parties have entered into this **Second** Amendment to Professional Services Agreement as of the date noted on the first page of the Amendment.

**CITY OF CORONA**

By:   
Tom Moody  
Assistant General Manager

Reviewed By:   
Katie Hockett  
Operations Manager

**CONSULTANT'S SIGNATURE PAGE FOR**  
**CITY OF CORONA SECOND AMENDMENT TO**  
**PROFESSIONAL SERVICES AGREEMENT**  
**WITH G & G ENVIRONMENTAL COMPLIANCE, INC.**

IN WITNESS WHEREOF, the Parties have entered into this **Second** Amendment to Professional Services Agreement as of the date noted on the first page of the Amendment.

**G & G ENVIRONMENTAL COMPLIANCE, INC.**  
**a Corporation**

By: 569A99D3372945A...

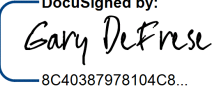
Signature

Gary Ethridge

Name (Print)

President

Title (President, Vice President, CEO)

By: 8C40387978104C8...

Signature

Gary DeFrese

Name (Print)

CFO

Title (CFO, Treasurer, or Secretary)



**EXHIBIT "C-1"****COMPENSATION**

**The total Compensation shall not exceed \$1,181,875 without authorized written approval of the City's Representative.**

<b>Scope of Work Category: Backflow Prevention</b>					
<b>Item</b>	<b>Description</b>	<b>Unit of Measure</b>	<b>Quantity</b>	<b>Cost/Unit</b>	<b>Subtotal</b>
001	Project Manager	Hour	78	\$105/hour	\$ 8,190
002	Technical Lead	Hour	124	\$95/hour	\$ 11,780
003	Lead Tester	Hour	314	\$85/hour	\$ 26,690
004	Sub-contracted Tester	Hour	910	\$80/hour	\$ 72,800
005	G&G Staff Testers	Hour	1,390	\$72/hour	\$ 100,080
006	Administrative Support	Hour	830	\$60/hour	\$ 49,800
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 12,000
<b>Program Total</b>					<b>\$ 281,400</b>

<b>Scope of Work Category: Cross-Connection Control</b>					
<b>Item</b>	<b>Description</b>	<b>Unit of Measure</b>	<b>Quantity</b>	<b>Cost/Unit</b>	<b>Subtotal</b>
001	Project Manager	Hour	124	\$105/hour	\$ 13,020
002	Technical Lead	Hour	238	\$95/hour	\$ 22,610
003	Lead Specialist	Hour	926	\$90/hour	\$ 83,340
004	Sub-contracted Specialist	Hour	300	\$90/hour	\$ 27,000
005	Specialist Support Team	Hour	1,310	\$72/hour	\$ 94,320
006	Administrative Support	Hour	366	\$60/hour	\$ 21,960
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 3,500
<b>Program Total</b>					<b>\$ 265,700</b>

<b>Scope of Work Category: Reclaimed Water Conversions</b>					
<b>Item</b>	<b>Description</b>	<b>Unit of Measure</b>	<b>Quantity</b>	<b>Cost/Unit</b>	<b>Subtotal</b>
001	Project Manager	Hour	8	\$105/hour	\$ 840
002	Technical Lead	Hour	29	\$95/hour	\$ 2,755
003	Lead Specialist	Hour	806	\$90/hour	\$ 72,540
004	Sub-contracted Specialist	Hour	154	\$90/hour	\$ 13,860
005	Administrative Support	Hour	40	\$60/hour	\$ 2,400
006	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 2,000
<b>Program Total</b>					<b>\$ 94,400</b>

**EXHIBIT "C-1"**  
**COMPENSATION – CONT'D**

<b>Scope of Work Category: Source Control &amp; Industrial Pretreatment</b>					
<b>Item</b>	<b>Description</b>	<b>Unit of Measure</b>	<b>Quantity</b>	<b>Cost/Unit</b>	<b>Subtotal</b>
001	Project Manager	Hour	103	\$105/hour	\$ 10,815
002	Technical Lead	Hour	700	\$95/hour	\$ 66,500
003	Grade IV Inspector	Hour	485	\$85/hour	\$ 41,225
004	Grade II Inspector	Hour	630	\$72/hour	\$ 45,360
005	Inspector Trainee	Hour	1,055	\$45/hour	\$ 47,475
006	Administrative Support	Hour	300	\$60/hour	\$ 18,000
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 12,000
<b>Program Total</b>					<b>\$ 241,400</b>

<b>Scope of Work Category: Hazardous Materials Inspection Program</b>					
<b>Item</b>	<b>Description</b>	<b>Unit of Measure</b>	<b>Quantity</b>	<b>Cost/Unit</b>	<b>Subtotal</b>
001	Project Manager	Hour	40	\$105/hour	\$ 4,200
002	Technical Lead	Hour	163	\$95/hour	\$ 15,485
003	Lead Inspector	Hour	164	\$85/hour	\$ 13,940
004	Inspector II	Hour	164	\$72/hour	\$ 11,808
005	Inspector I	Hour	179	\$60/hour	\$ 10,740
006	Administrative Support	Hour	90	\$60/hour	\$ 5,400
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 1,000
<b>Program Total</b>					<b>\$ 62,600</b>

**FIRST AMENDMENT TO  
PROFESSIONAL SERVICES AGREEMENT  
BETWEEN THE CITY OF CORONA  
AND  
G & G ENVIRONMENTAL COMPLIANCE, INC.**

**1. PARTIES AND DATE.**

This **First** Amendment to the Professional Services Agreement ("**First** Amendment") is made and entered into this **20th** day of **April, 2015** by and between the City of Corona ("City") and **G & G Environmental Compliance, Inc., a California Corporation** ("Consultant"). City and Consultant are sometimes individually referred to as "Party" and collectively as "Parties" in this **First** Amendment.

**2. RECITALS.**

2.1 Agreement. City and Consultant entered into that certain Professional Services Agreement dated **June 4, 2014** ("Agreement"), whereby Consultant agreed to provide **Regulatory Compliance** services through **June 30, 2019**.

2.2 Amendment Purpose. City and Consultant desire to amend the Agreement for the **first** time in order to (1) increase the Compensation by **\$236,375** to **\$1,181,875** for fiscal years ending **June 30, 2015** and **June 30, 2016** in accordance with the General Manager's change order authority provided for in CMC section 3.08.070(j); (2) replace Exhibit "C" (Compensation) with Exhibit "**C-1**" (Compensation); and (3) replace Section 3.3.5 Prevailing Wages to reflect a change in State prevailing wage.

**3. TERMS.**

3.1 Compensation. Section 3.3.1 (Compensation) and Exhibit "C" (Compensation) of the Agreement, are hereby deleted in their entirety and replaced with the following:

"3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under the Agreement at the rates set forth in Exhibit "**C-1**" attached hereto and incorporated herein by reference. The total compensation shall not exceed **One Million One Hundred Eighty-One Thousand Eight Hundred Seventy-Five Dollars (\$1,181,875)** during fiscal years ending **June 30, 2015** and **June 30, 2016**, (compensation shall return to \$945,500 per year for fiscal years 2016-17, 2017-18 and 2018-19) without written approval of the City's General Manager. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement."

3.2 Fees and Payments. Section 3.3.5 (Prevailing Wages) of the Agreement is hereby deleted in its entirety and replaced with the following:

"Consultant is aware of the requirements of Chapter 1 (beginning at Section 1720 et seq.) of Part 7 of Division 2 of the California Labor Code, as well as Title 8, Section 16000 et seq. of the California Code of Regulations ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the Total Compensation is \$1,000 or more, Consultant and its subconsultants shall fully comply with the Prevailing Wage Laws for their employees and any others to whom such laws are applicable. Consultant and its subconsultants shall also be responsible for any and all violations and fines imposed on them pursuant to the Prevailing Wage Laws. Pursuant to SB 854, which amended the Prevailing Wage Laws, this Agreement would also be subject to compliance monitoring and enforcement by the California Department of Industrial Relations ("DIR"). Beginning April 1, 2015, no consultant or subconsultant may be awarded this Agreement unless registered with the DIR pursuant to Labor Code Section 1725.5. The City will report all necessary agreements to the DIR as required by the Prevailing Wage Laws. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the Project site. It is most efficient for the Consultant to obtain a copy of the prevailing wages in effect at the commencement of this Agreement from the website of the Division of Labor Statistics and Research of the DIR located at [www.dir.ca.gov/dlsr/](http://www.dir.ca.gov/dlsr/). In the alternative, Consultant may obtain a copy of the prevailing wages from the City's **Representative**. Consultant shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws."

3.3 Continuing Effect of Agreement. Except as amended by this **First Amendment**, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this **First Amendment**, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this **First Amendment**.

3.4 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this **First Amendment**.

3.5 Counterparts. This **First Amendment** may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

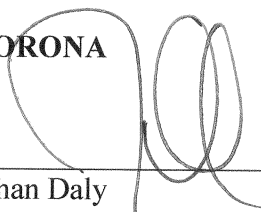
**[SIGNATURES ON FOLLOWING PAGE]**

**CITY'S SIGNATURE PAGE FOR**  
**CITY OF CORONA FIRST AMENDMENT TO**  
**PROFESSIONAL SERVICES AGREEMENT**  
**WITH G & G ENVIRONMENTAL COMPLIANCE, INC.**

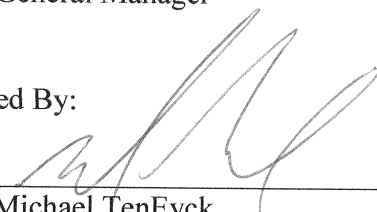
IN WITNESS WHEREOF, the Parties have entered into this **First** Amendment to Professional Services Agreement as of the date noted on the first page of the Amendment.

**CITY OF CORONA**

By:

  
\_\_\_\_\_  
Jonathan Daly  
General Manager


Reviewed By:


  
\_\_\_\_\_  
Michael TenEyck  
Finance & Administration Manager

**CONSULTANT'S SIGNATURE PAGE FOR**  
**CITY OF CORONA FIRST AMENDMENT TO**  
**PROFESSIONAL SERVICES AGREEMENT**  
**WITH G & G ENVIRONMENTAL COMPLIANCE, INC.**

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first written above.

**G & G ENVIRONMENTAL COMPLIANCE, INC.**  
**a corporation**

By:   
Signature  
Title *President*

By:   
Signature  
Title *Vice President*

**EXHIBIT "C-1"**  
**COMPENSATION**

Scope of Work Category: Backflow Prevention					
Item	Description	Unit of Measure	Quantity	Cost/Unit	Subtotal
001	Project Manager	Hour	78	\$105/hour	\$ 8,190
002	Technical Lead	Hour	124	\$95/hour	\$ 11,780
003	Lead Tester	Hour	314	\$85/hour	\$ 26,690
004	Sub-contracted Tester	Hour	910	\$80/hour	\$ 72,800
005	G&G Staff Testers	Hour	1,390	\$72/hour	\$ 100,080
006	Administrative Support	Hour	830	\$60/hour	\$ 49,800
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 12,000
<b>Program Total</b>					<b>\$ 281,400</b>

Scope of Work Category: Cross-Connection Control					
Item	Description	Unit of Measure	Quantity	Cost/Unit	Subtotal
001	Project Manager	Hour	124	\$105/hour	\$ 13,020
002	Technical Lead	Hour	238	\$95/hour	\$ 22,610
003	Lead Specialist	Hour	926	\$90/hour	\$ 83,340
004	Sub-contracted Specialist	Hour	300	\$90/hour	\$ 27,000
005	Specialist Support Team	Hour	1,310	\$72/hour	\$ 94,320
006	Administrative Support	Hour	366	\$60/hour	\$ 21,960
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 3,500
<b>Program Total</b>					<b>\$ 265,700</b>

Scope of Work Category: Reclaimed Water Conversions					
Item	Description	Unit of Measure	Quantity	Cost/Unit	Subtotal
001	Project Manager	Hour	8	\$105/hour	\$ 840
002	Technical Lead	Hour	29	\$95/hour	\$ 2,755
003	Lead Specialist	Hour	806	\$90/hour	\$ 72,540
004	Sub-contracted Specialist	Hour	154	\$90/hour	\$ 13,860
005	Administrative Support	Hour	40	\$60/hour	\$ 2,400
006	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 2,000
<b>Program Total</b>					<b>\$ 94,400</b>



**EXHIBIT "C-1"****COMPENSATION – CONT'D**

<b>Scope of Work Category: Source Control &amp; Industrial Pretreatment</b>					
<b>Item</b>	<b>Description</b>	<b>Unit of Measure</b>	<b>Quantity</b>	<b>Cost/Unit</b>	<b>Subtotal</b>
001	Project Manager	Hour	103	\$105/hour	\$ 10,815
002	Technical Lead	Hour	700	\$95/hour	\$ 66,500
003	Grade IV Inspector	Hour	485	\$85/hour	\$ 41,225
004	Grade II Inspector	Hour	630	\$72/hour	\$ 45,360
005	Inspector Trainee	Hour	1,055	\$45/hour	\$ 47,475
006	Administrative Support	Hour	300	\$60/hour	\$ 18,000
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 12,000
<b>Program Total</b>					<b>\$ 241,400</b>

<b>Scope of Work Category: Hazardous Materials Inspection Program</b>					
<b>Item</b>	<b>Description</b>	<b>Unit of Measure</b>	<b>Quantity</b>	<b>Cost/Unit</b>	<b>Subtotal</b>
001	Project Manager	Hour	40	\$105/hour	\$ 4,200
002	Technical Lead	Hour	163	\$95/hour	\$ 15,485
003	Lead Inspector	Hour	164	\$85/hour	\$ 13,940
004	Inspector II	Hour	164	\$72/hour	\$ 11,808
005	Inspector I	Hour	179	\$60/hour	\$ 10,740
006	Administrative Support	Hour	90	\$60/hour	\$ 5,400
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 1,000
<b>Program Total</b>					<b>\$ 62,600</b>

## **EXHIBIT "C-1"**

### **COMPENSATION – CONT'D**

Consultant's rates shall remain effective and in force for the initial fiscal year period July 1, 2014 through June 30, 2015 ("Initial Fiscal Year") and subsequent fiscal years thereafter.

Consultant's rate schedule, as provided herein, may be adjusted annually effective with the start of the second fiscal year and continuing through the fifth year as follows:

Second Year:	July 1, 2015 through June 30, 2016
Third Year:	July 1, 2016 through June 30, 2017
Fourth Year:	July 1, 2017 through June 30, 2018
Fifth Year:	July 1, 2018 through June 30, 2019

Pricing shall be negotiated by the Parties approximately 60 days prior to commencement of the next fiscal year. Price adjustments shall remain effective and in force for each fiscal year period and shall be made in accordance with and shall not exceed the percentage of change in the United States Bureau of Labor Statistics Consumer Price Index "All Urban Consumers for Los Angeles- Riverside-Orange County, California, (CPI-U)", not seasonally adjusted, for the most recent twelve (12) months for which statistics are available. This method of price adjustment shall apply to each fiscal year period beyond the Initial Fiscal Year and is only effective upon issuance by the City of a duly authorized Purchase Order for each new fiscal year.

Only one price escalation adjustment per year will be granted, however, across the board price decreases are subject to implementation at any time and shall be immediately conveyed to the City.

**COUNCIL ACTION:** (For City Clerk use only)

- ☐ ADOPTED RESOLUTION NO. \_\_\_\_\_  
☐ APPROVED ☐ APPROVED WITH CHANGES  
☐ CONTINUED TO \_\_\_\_\_ ☐ DENIED  
☐ INTRODUCED ORDINANCE NO. \_\_\_\_\_  
☐ NO ACTION TAKEN/DID NOT PASS  
☐ RECEIVED AND FILED ☐ RETURNED TO STAFF  
☐ REFERRED TO \_\_\_\_\_  
☐ SET FOR PUBLIC HEARING



Agenda Report No. 3.G.1

**AGENDA REPORT  
REQUEST FOR CITY COUNCIL AND  
CORONA UTILITY AUTHORITY ACTION**

**DATE:** June 4, 2014  
**TO:** Honorable Mayor and City Council Members  
Honorable President and Board Members  
**FROM:** Department of Water and Power  
**SUBJECT:** **AWARD OF REQUEST FOR PROPOSALS (RFP) DWP 14-122KM REGULATORY COMPLIANCE SERVICES**

**RECOMMENDED ACTION:**

That the:

1. City Council award RFP DWP 14-122KM Regulatory Compliance Services to G&G Environmental Compliance, Inc. of Riverside, CA, in the amount of \$945,500 for each of the next five fiscal years beginning with Fiscal Year 2014-15.
2. City Council authorizes the Department of Water and Power (DWP) General Manager to execute the Professional Services Agreement with G&G Environmental Compliance, Inc. in the amount of \$945,500 and to approve necessary change orders or amendments provided by Corona Municipal Code Section 3.08.070(I).
3. City Council authorizes the Purchasing Manager to issue a purchase order in the amount of \$945,500 per year to G&G Environmental Compliance, Inc. for the next five fiscal years beginning with Fiscal Year 2014-15 in accordance with duly authorized and executed agreements.
4. City Council authorizes the City Attorney and DWP General Manager to negotiate and execute any extensions and/or amendments to the contract.
5. Corona Utility Authority (CUA) review, ratify and to the extent necessary direct that the City Council take the above actions.

File No. CC - \_\_\_\_\_.

### ***ANALYSIS:***

On April 15, 2014, Request for Proposals (RFP) DWP 14-122KM was posted on the City's website. It was formally advertised in the Press Enterprise on April 18, 2014. Three firms submitted proposals by the due date of May 9, 2014. The RFP included five proposal categories and received responses for each category as follows:

<b>Proposal Category</b>	<b>Number of Firms Providing Proposals</b>
Hazardous Materials Inspection Program	1
Backflow Prevention Program	1
Cross Connection Control	1
Reclaimed Water Conversions	2
Source Control/Pre-treatment	2

DWP staff evaluated each proposal according to the following RFP evaluation criteria: Qualifications of firm: 30%; Qualifications of the assigned personnel: 20%; Related experience: 30%; Completeness of response: 10%, and Reasonableness of cost and price: 10%. DWP staff received two responsible and responsive proposals for Reclaimed Water Conversions from G&G Environmental Compliance, Inc. and John Robinson Consulting who scored 87% and 70% respectively. DWP staff received two responsible and responsive proposals for the Source Control and Industrial Pretreatment program from G&G Environmental Compliance, Inc. and Environmental Engineering & Contracting, Inc. scoring 92% and 79% respectively. Although the scoring criteria were more heavily weighted toward qualifications and experience, G&G Environmental Compliance, Inc. scored high in the evaluation criteria category of reasonableness of cost and price. DWP staff received one proposal each for the Backflow Prevention program, Cross-Connection Control program, and Hazardous Materials Inspections program from G&G Environmental Compliance, Inc. G&G Environmental Compliance, Inc. was the only responsible and responsive proposer for these three RFP categories. Based on DWP's evaluation of the proposals, staff recommends award to G&G Environmental Compliance as the most qualified firm. DWP has past experience with G&G Environmental Compliance who is highly regarded by staff and in the industry for quality and value.

DWP utilizes the services of a regulatory compliance firm to assist with implementation and administration of several of the City's regulatory compliance programs including backflow prevention, cross-connection control, reclaimed water conversions, source control and industrial pre-treatment, and hazardous materials inspections.

Backflow prevention includes the coordination, testing, retesting, and administrative functions required to support the Backflow Prevention program. The program is necessary to prevent contamination of the City water supply. The Backflow Prevention Program is mandated by state and federal law. DWP has approximately 4,500 backflows that require annual coordination and testing.

Cross-Connection Control includes the coordination, inspections, testing, permitting, and administrative functions required to support the ongoing Cross-Connection Control Program. As part of the City's reclaimed water program, DWP is required by the California Department of Public Health to conduct annual inspections of all existing reclaimed water sites. In addition, DWP is required to perform cross-connection testing at all reclaimed water sites once every four years to ensure continued protection of the City's drinking water system. DWP currently has over 200 reclaimed water connections requiring annual inspections and cross-connection control tests every four years in addition to any new sites that are added to the reclaimed water system each year.

Reclaimed Water Conversions includes the site work, inspection, testing, permitting, and administrative functions required to support new site conversions to use reclaimed water. To save drinking water for human consumption and higher end uses, the City of Corona has constructed an extensive reclaimed water distribution system for irrigation purposes. Reclaimed water is high quality water that has been purified and disinfected in the City's own water reclamation facilities and is used mostly for landscape irrigation. The use of reclaimed water allows the City to save drinking water for homes and businesses. The City has been serving reclaimed water to customers since the summer of 2006 and has made substantial progress with its reclaimed water projects this year. We currently serve 227 connections that use 3.16 million gallons per day on average, with many more sites preparing to be converted.

Source Control and Industrial Pretreatment includes the inspections, monitoring, permitting, coordinating and administrative functions required to support the Source Control Program. This program is designed to prevent unauthorized discharge of industrial strength waste into the sanitary sewer that could potentially disrupt the wastewater treatment system. This program is mandated by title 40 of the Code of Federal Regulations Chapter 403 (40 CFR 403) administered by the United States Environmental Agency (US EPA). DWP has approximately 300 businesses that require annual inspections and monitoring.

Hazardous Materials Inspections includes the inspections, coordinating, and reporting functions required to comply with the California Environmental Protection Agency Unified Program. The program enhances the City's ability to handle hazardous material emergencies when they occur at Corona businesses. This results in greater safety for our public safety personnel who respond to these emergencies, greater safety for persons at the business involved in the emergency, as well as an overall greater safety for the community at large. This activity is currently performed by the City of Corona's Fire Department. The City has nearly 800 businesses requiring annual inspections.

The agreement amount recommended for award is \$945,500 annually to G&G Environmental Compliance, Inc. for a period of five years beginning in Fiscal Year 2014-15. This amount is based on our experience with ensuring and maintaining regulatory compliance as well as the systems and programs which are incorporated into that part of the business. There is no reduction in staff associated with the approval of this agreement.

**FISCAL IMPACT:**

Funding for the award of the contract will be included in the proposed Fiscal Year 2014-2015 Department of Water and Power operations budget and General Fund budget.

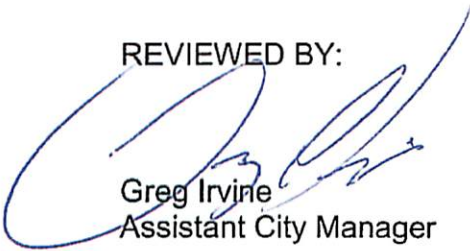
The backflow prevention, cross connection control, reclaimed conversions, and source control/pre-treatment programs will be funded by the Water, Reclaimed Water, and Water Reclamation Utility Funds. The backflow and source control/pre-treatment program costs are recovered from program fees. The reclaimed water conversions program costs are recovered from development fees related to water supply.

The hazardous materials inspection program will be funded by the Fire Department's operating budget within the General Fund. The hazardous materials inspection program costs are recovered from program fees.

**ENVIRONMENTAL ANALYSIS:**

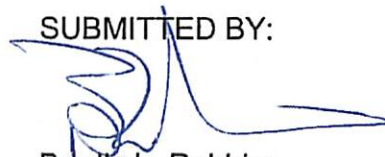
No environmental review is required because the proposed action is not a project governed by the California Environmental Quality Act.

REVIEWED BY:



Greg Irvine  
Assistant City Manager

SUBMITTED BY:



Bradly L. Robbins  
City Manager & Executive Director

REVIEWED BY:



Kerry D. Eden  
Finance Director

REVIEWED BY:



Jonathan Daly  
General Manager

REVIEWED BY:



John Medina  
Fire Chief

REVIEWED BY:



Scott Briggs  
Purchasing Manager

June 4, 2014

Award of RFP DWP 14-122KM Regulatory Compliance Services

Page 5

PREPARED BY:

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A handwritten signature in black ink, appearing to read 'Tom Moody', is written over the line.

Tom Moody  
Operations Manager

**CITY OF CORONA  
PROFESSIONAL SERVICES AGREEMENT**

**1. PARTIES AND DATE.**

This Agreement is made and entered into this 4<sup>th</sup> day of **June, 2014** by and between the City of Corona, a municipal corporation organized under the laws of the State of California with its principal place of business at 400 South Vicentia Avenue, Corona, California 92882 ("City") and **G & G Environmental Compliance, Inc., a California Corporation** with its principal place of business at **5053 La Mart Drive, Suite 203, Riverside, CA 92507** ("Consultant"). City and Consultant are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

**2. RECITALS.**

**2.1 Consultant.**

Consultant desires to perform and assume responsibility for the provision of certain professional services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing **Regulatory Compliance** services to public clients, is licensed in the State of California, and is familiar with the plans of City.

**2.2 Project; Corona Utility Authority.**

City desires to engage Consultant to render such services for the **Regulatory Compliance Services RFP 14-122KM** project ("Project") as set forth in this Agreement. Consultant understands that the City has entered into a Water Enterprise Management Agreement and a Wastewater Enterprise Management Agreement, both dated as of February 6, 2002, with the Corona Utility Authority ("CUA") for the maintenance, management and operation of those utility systems (collectively, the "CUA Management Agreements"). To the extent that this Agreement is deemed to be a "material contract" under either of the CUA Management Agreements, City enters into this Agreement on behalf of the CUA and subject to the terms of the applicable CUA Management Agreement(s).

**3. TERMS.**

**3.1 Scope of Services and Term.**

**3.1.1 General Scope of Services.** Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional **Regulatory Compliance** consulting services necessary for the Project ("Services"). The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and



incorporated herein by reference, and all applicable local, state and federal laws, rules, and regulations.

3.1.2 Term. The term of this Agreement shall be from **July 1, 2014 to June 30, 2019**, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

### **3.2 Responsibilities of Consultant.**

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of City and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, City shall respond to Consultant's submittals in a timely manner. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of City.

3.2.4 Substitution of Key Personnel. Consultant has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the

Consultant at the request of the City. The key personnel for performance of this Agreement are as follows: **Gary Ethridge, President.**

3.2.5 City's Representative. The City hereby designates **Jonathan Daly, DWP General Manager**, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. Consultant shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates **Gary Ethridge, President**, or his or her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a City Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Period of Performance and Liquidated Damages. Consultant shall perform and complete all Services under this Agreement within the term set forth in Section 3.1.2 above ("Performance Time"). Consultant shall also perform the Services in strict accordance with any completion schedule or Project milestones described in Exhibits "A" or "B" attached hereto, or which may be separately agreed upon in writing by the City and Consultant ("Performance Milestones"). Consultant agrees that if the Services are not completed within the aforementioned Performance Time and/or pursuant to any such Project Milestones developed pursuant to

provisions of this Agreement, it is understood, acknowledged and agreed that the City will suffer damage.

**3.2.10 Laws and Regulations; Employee/Labor Certifications.** Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold City, its officials, directors, officers, employees, and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

**3.2.10.1 Employment Eligibility; Consultant.** By executing this Agreement, Consultant verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time. Such requirements and restrictions include, but are not limited to, examination and retention of documentation confirming the identity and immigration status of each employee of the Consultant. Consultant also verifies that it has not committed a violation of any such law within the five (5) years immediately preceding the date of execution of this Agreement, and shall not violate any such law at any time during the term of the Agreement. Consultant shall avoid any violation of any such law during the term of this Agreement by participating in an electronic verification of work authorization program operated by the United States Department of Homeland Security, by participating in an equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, or by some other legally acceptable method. Consultant shall maintain records of each such verification, and shall make them available to the City or its representatives for inspection and copy at any time during normal business hours. The City shall not be responsible for any costs or expenses related to Consultant's compliance with the requirements provided for in Section 3.2.10 or any of its sub-sections.

**3.2.10.2 Employment Eligibility; Subcontractors, Consultants, Sub-subcontractors and Subconsultants.** To the same extent and under the same conditions as Consultant, Consultant shall require all of its subcontractors, consultants, sub-subcontractors and subconsultants performing any work relating to the Project or this Agreement to make the same verifications and comply with all requirements and restrictions provided for in Section 3.2.10.1.

**3.2.10.3 Employment Eligibility; Failure to Comply.** Each person executing this Agreement on behalf of Consultant verifies that they are a duly authorized officer of Consultant, and understands that any of the following shall be grounds for the City to terminate the Agreement for cause: (1) failure of Consultant or its subcontractors, consultants, sub-subcontractors or subconsultants to meet any of the requirements provided for in Sections 3.2.10.1 or 3.2.10.2; (2) any misrepresentation or material omission concerning compliance with such requirements (including in those verifications provided to the Consultant under Section

3.2.10.2); or (3) failure to immediately remove from the Project any person found not to be in compliance with such requirements.

3.2.10.4 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.2.10.5 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.2.10.6 Air Quality. To the extent applicable, Consultant must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the South Coast Air Quality Management District (SCAQMD) and/or California Air Resources Board (CARB). Although the SCAQMD and CARB limits and requirements are more broad, Consultant shall specifically be aware of their application to "portable equipment", which definition is considered by SCAQMD and CARB to include any item of equipment with a fuel-powered engine. Consultant shall indemnify City against any fines or penalties imposed by SCAQMD, CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Consultant, its subconsultants, or others for whom Consultant is responsible under its indemnity obligations provided for in this Agreement.

#### 3.2.11 Insurance.

3.2.11.1 Time for Compliance. Consultant shall not commence Work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Agreement for cause.

3.2.11.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subconsultants. Consultant shall also require all of its subconsultants to procure and maintain the same insurance

for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used including, but not limited to, form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

3.2.11.3 Professional Liability. Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Project, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$1,000,000 per claim, and shall be endorsed to include contractual liability.

3.2.11.4 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

(A) General Liability. The general liability policy shall include or be endorsed (amended) to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the Work or operations performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(B) Automobile Liability. The automobile liability policy shall include or be endorsed (amended) to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers,

employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, or canceled except after thirty (30) days prior written notice has been given to the City, provided that if a thirty (30) days notice of cancellation endorsement is not available Consultant shall notify City of this unavailability in writing and shall forward any notice of cancellation to the City within two (2) business days from date of receipt by Consultant; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents, and volunteers. Consultant's failure either to obtain an endorsement providing thirty (30) days prior written notice of cancellation endorsement or to forward the City any notice of cancellation issued to Consultant shall be considered breach of contract.

3.2.11.5 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents, and volunteers.

3.2.11.6 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Consultant shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its directors, officials, officers, employees, agents, and volunteers; or (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims, and administrative and defense expenses.

3.2.11.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VIII, licensed to do business in California, and satisfactory to the City.

3.2.11.8 Verification of Coverage. Consultant shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the City if requested. All certificates and endorsements must be received and approved by the City before work commences. The City

reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.11.9 Reporting of Claims. Consultant shall report to the City, in addition to Consultant's insurer, any and all insurance claims submitted by Consultant in connection with the Services under this Agreement.

3.2.12 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subconsultants, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.2.13 Accounting Records. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

### 3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Nine Hundred Forty Five Thousand Five Hundred Dollars (\$945,500)** without written approval of City's **Representative**. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to City a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from City's Representative.

3.3.5 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. Consultant shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

#### **3.4 Termination of Agreement.**

3.4.1 Grounds for Termination. City may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to City, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

3.4.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

3.4.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

#### **3.5 Ownership of Materials and Confidentiality.**

3.5.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications,



studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). All Documents & Data shall be and remain the property of City, and shall not be used in whole or in substantial part by Consultant on other projects without the City's express written permission. Within thirty (30) days following the completion, suspension, abandonment or termination of this Agreement, Consultant shall provide to City reproducible copies of all Documents & Data, in a form and amount required by City. City reserves the right to select the method of document reproduction and to establish where the reproduction will be accomplished. The reproduction expense shall be borne by City at the actual cost of duplication. In the event of a dispute regarding the amount of compensation to which the Consultant is entitled under the termination provisions of this Agreement, Consultant shall provide all Documents & Data to City upon payment of the undisputed amount. Consultant shall have no right to retain or fail to provide to City any such documents pending resolution of the dispute. In addition, Consultant shall retain copies of all Documents & Data on file for a minimum of fifteen (15) years following completion of the Project, and shall make copies available to City upon the payment of actual reasonable duplication costs. Before destroying the Documents & Data following this retention period, Consultant shall make a reasonable effort to notify City and provide City with the opportunity to obtain the documents.

3.5.2 Subconsultants. Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or its subconsultants, or those provided to Consultant by the City.

3.5.3 Right to Use. City shall not be limited in any way in its use or reuse of the Documents and Data or any part of them at any time for purposes of this Project or another project, provided that any such use not within the purposes intended by this Agreement or on a project other than this Project without employing the services of Consultant shall be at City's sole risk. If City uses or reuses the Documents & Data on any project other than this Project, it shall remove the Consultant's seal from the Documents & Data and indemnify and hold harmless Consultant and its officers, directors, agents and employees from claims arising out of the negligent use or re-use of the Documents & Data on such other project. Consultant shall be responsible and liable for its Documents & Data, pursuant to the terms of this Agreement, only with respect to the condition of the Documents & Data at the time they are provided to the City upon completion, suspension, abandonment or termination. Consultant shall not be responsible or liable for any revisions to the Documents & Data made by any party other than Consultant, a party for whom the Consultant is legally responsible or liable, or anyone approved by the Consultant.

3.5.4 Indemnification. Consultant shall defend, indemnify and hold the City, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent,

copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by City of the Documents & Data, including any method, process, product, or concept specified or depicted.

3.5.5 Confidentiality. All Documents & Data, either created by or provided to Consultant in connection with the performance of this Agreement, shall be held confidential by Consultant. All Documents & Data shall not, without the prior written consent of City, be used or reproduced by Consultant for any purposes other than the performance of the Services. Consultant shall not disclose, cause or facilitate the disclosure of the Documents & Data to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant that is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

### **3.6 General Provisions.**

3.6.1 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

**Consultant:**

G & G Environmental Compliance, Inc.  
5053 La Mart Drive Suite 203  
Riverside, CA 92507  
Attn: Gary Ethridge, President

**City:**

City of Corona  
755 Public Safety Way  
Corona, CA 92880  
Attn: Jonathan Daly, DWP General Manager

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

### **3.6.2 Indemnification.**

3.6.2.1 Scope of Indemnity. To the fullest extent permitted by law, Consultant shall defend, indemnify and hold the City, its directors, officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services, the

Project or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys fees and other related costs and expenses. Notwithstanding the foregoing, to the extent Consultant's Services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

**3.6.2.2 Additional Indemnity Obligations.** Consultant shall defend, with Counsel of City's choosing and at Consultant's own cost, expense and risk, any and all claims, suits, actions or other proceedings of every kind covered by Section 3.6.2.1 that may be brought or instituted against City or its directors, officials, officers, employees, volunteers and agents. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against City or its directors, officials, officers, employees, volunteers and agents as part of any such claim, suit, action or other proceeding. Consultant shall also reimburse City for the cost of any settlement paid by City or its directors, officials, officers, employees, agents or volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness fees. Consultant shall reimburse City and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall survive expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by the City, its directors, officials officers, employees, agents, or volunteers.

**3.6.3 Governing Law; Government Code Claim Compliance.** This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Consultant must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Consultant. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Consultant shall be barred from bringing and maintaining a valid lawsuit against the City.

**3.6.4 Time of Essence.** Time is of the essence for each and every provision of this Agreement.

**3.6.5 City's Right to Employ Other Consultants.** City reserves right to employ other consultants in connection with this Project.

**3.6.6 Successors and Assigns.** This Agreement shall be binding on the successors and assigns of the parties.

**3.6.7 Assignment or Transfer; Corona Utility Authority.** Consultant shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any

interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. To the extent that this Agreement is deemed to be a "material contract" under either of the CUA Management Agreements, Consultant has no right to terminate this Agreement, either with or without cause, based upon the existence or non-existence of either or both of the CUA Management Agreements. Therefore, if an applicable CUA Management Agreement expires or terminates for any reason, Consultant shall remain fully obligated to perform under this Agreement on behalf of the CUA or another third party contracted by the CUA for the maintenance, management and operation of the applicable utility system.

3.6.8 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants of Consultant, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Agreement.

3.6.9 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.6.10 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

3.6.11 No Third Party Beneficiaries. Except to the extent expressly provided for in Section 3.6.7, there are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.6.12 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.6.13 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this

Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.6.14 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.6.15 Attorney's Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.6.16 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.6.17 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6.18 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties.

**[SIGNATURES ON NEXT PAGE]**

**SIGNATURE PAGE FOR PROFESSIONAL SERVICES AGREEMENT  
BETWEEN THE CITY OF CORONA  
AND G & G ENVIRONMENTAL COMPLIANCE, INC.**

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date noted on the first page of the Agreement.

**CITY OF CORONA**

By: \_\_\_\_\_

Jonathan Daly  
DWP General Manager

Reviewed By: \_\_\_\_\_

Michael TenEyck  
Finance & Administration Manager

*Sylvia Viaura for*  
\_\_\_\_\_  
Lisa Mobley, City Clerk  
City of Corona, California

\_\_\_\_\_  
Date

**G & G ENVIRONMENTAL COMPLIANCE, INC.  
a California Corporation**

By: \_\_\_\_\_

Signature

*GARY ETHERIDGE*  
\_\_\_\_\_  
Name (Print)

*PRESIDENT*  
\_\_\_\_\_  
Title (CEO, President, V.P.)

\_\_\_\_\_  
Date

By: \_\_\_\_\_

Signature

*GARY W. DEFRESE*  
\_\_\_\_\_  
Name (Print)

*SECRETARY*  
\_\_\_\_\_  
Title (Secretary, CFO, Treasurer)

\_\_\_\_\_  
Date

## **EXHIBIT "A"**

### **SCOPE OF SERVICES**

#### **SCOPE OF WORK**

The City of Corona Department of Water and Power Regulatory Compliance Division requires the services of a regulatory compliance services firm to assist with implementation and administration of several of the City's regulatory compliance programs including but not limited to the following:

- Backflow Prevention
- Cross-Connection Control
- Reclaimed Water Conversions
- Source Control and Industrial Pretreatment
- Hazardous Materials Inspections

#### **Backflow Prevention**

*This task includes the coordination, testing, retesting, and administrative functions required to support the Backflow Prevention program.*

- Conduct initial backflow testing at each backflow prevention assembly in the City of Corona database; estimated to be 4,500 per year including both privately-owned and City-owned devices ranging from ¾" to 10".
- Conduct follow-up tests for those devices that fail the initial test.
- All devices are located within the City of Corona or in an unincorporated area directly adjacent to the City.
- Approximately 350 devices are located in vaults requiring confined space entry per OSHA Standard 1910.146. All confined space entries must be performed using standard confined space entry requirements.
- The on-site tester(s) must be a certified Backflow Prevention Assembly Tester by the California-Nevada American Water Works Association and the County of Riverside.
- Administration of the program including the following:
  - Develop daily, weekly, and/or monthly testing schedules that maximize the efficiency of the backflow device testing team.
  - Communicate with device owners of the upcoming test to facilitate entry, water shut off during test issues, and any other issues that may delay or prevent the test from being performed.
  - Review completed test result paperwork for accuracy and inclusion of all required information.
  - Provide notification to backflow prevention assembly owners upon device failure in accordance with the City of Corona's Municipal Code;
  - Answer and respond to calls as directed regarding the Backflow Program requirements and resolving conflicts that may arise.
  - Maintain an accurate database of backflow assemblies located within the City's jurisdictional boundaries;
  - Provide monthly status reports; and

## **EXHIBIT “A”**

### **SCOPE OF SERVICES – CONT'D**

- Maintaining ongoing communication with designated City staff and management regarding the Backflow Program operations.

#### **Cross-Connection Control**

*This task includes the coordination, inspections, testing, permitting, and administrative functions required to support the ongoing Cross-Connection Control program.*

- Conduct annual inspections at all permitted reclaimed water user sites; approximately 250 reclaimed water user sites.
- Develop required 4-year shutdown testing protocol and perform cross-connection shutdown test in accordance with CDPH rules and regulations and Title 17 requirements.
- Develop and complete all necessary forms required to perform each shutdown test.
- Prepare cross-connection test report and exhibits for submission to CDPH following review and approval by DWP.
- Update and maintain permits for all current reclaimed water users.
- Enter all Program activities into the City’s BackTrack Program.
- Maintain effective communications with City staff and management.
- Inspector(s) must be a certified Cross-Connection Control Specialist by the California-Nevada American Water Works Association.

#### **Reclaimed Water Conversions**

*This task includes the site work, inspection, testing, permitting, and administrative functions required to support new reclaimed water conversions.*

- Perform initial site survey and complete site survey form.
- Review any necessary as-built plans to prepare retrofit requirements and shutdown testing protocol.
- Determine retrofit requirements and prepare a scope of work for DWP; prepare cost estimate for customer retrofit and provide a timeline for completion.
- Develop initial shutdown testing protocol. Upon review and approval by DWP, provide shutdown testing protocol to CDPH for approval.
- Coordinate with DWP, the applicant and CDPH on scheduling and conducting the necessary Cross Connection Shutdown Test(s).
- Conduct the shutdown test, prepare Shutdown Test Report and submit to CDPH.
- Conduct irrigation coverage test as required.
- Prepare necessary permit, enter all program activities into City’s BackTrack Program, send permit to customer and DWP for signature and then issue permit to applicant.
- Conduct Site Supervisor training as required by DWP.
- Request meter installation from DWP.
- Upon approval by DWP, submit Tie-In Report to CDPH.



## **EXHIBIT "A"**

### **SCOPE OF SERVICES – CONT'D**

#### **Source Control and Industrial Pretreatment**

*This task includes the inspections, monitoring, permitting, coordinating and administrative functions required to support the Source Control program.*

- **Permitted Industrial Users:**
  - The City of Corona currently issues approximately 30 industrial user permits every three years (Class I – IV Users as classified by the United States Environmental Protection Agency).
  - Conduct site inspections, monitoring, and permitting.
  - Review Self-Monitoring Reports (SMRs) from permittees.
- **Permitted Users**
  - Provide inspections, permitting and compliance activities at dry cleaners, automotive cleaning, maintenance facilities, and other commercial and light industrial facility
- **Non-Permitted Facilities:**
  - Conduct inspections and review compliance activities for restaurants and other non-permitted facilities.
- Inspections occur quarterly to annually depending on the site requirements
- Permits are issued annually or every three years depending on the site.
- Conduct compliance activities including review of required industrial users self-monitoring reports, routine enforcement actions such as written and verbal warnings to civil and/or criminal complaints.
- Provide as-needed periodic surveillance monitoring in the sewer system to identify sources of suspected dumping of high strength or pollutant loading that violates existing wastewater discharge limitations adopted by the City.
- Evaluate Industrial User samples for compliance with all constituents that have permit limitations and to assess surcharges for BOD, TSS, and O/G and prepare statements accordingly.
- Maintain existing industrial user listing through review of new business license questionnaires and conduct necessary follow-up site inspections for new or tenant improvement projects that require Source Control Program involvement.
- Prepare, complete and submit all required regulatory reports as required by the EPA for pretreatment program, including quarterly and annual program compliance reports to the USEPA, Santa Ana Regional Water Quality Control Board, and the State of California. Additionally, if necessary, a report of Significant Non-Compliance (SNC) is required to be published for all IUs that meet the definition of SNC as contained in the City's Wastewater Ordinance No. 3111 (Corona Municipal Code Section 13.08).
- Maintain and update as necessary the Local Limits, ERP, and Sewer Ordinance.
- Maintain IU data and schedules in the City's Linko data management system.
- Provide monthly status reports to DWP and attend all meeting as required to maintain effective communications.
- Inspector(s) must be certified by California Water Environment Association (CWEA).

## **EXHIBIT “A”**

### **SCOPE OF SERVICES – CONT'D**

#### **Hazardous Materials Inspections**

*This task includes the inspections, coordinating, and reporting functions required to comply with the California EPA Unified Program. This activity is currently performed by the City of Corona Fire Department.*

- Conduct approximately 800 inspections every three years
  - Inspect and confirm Hazardous Materials Business Emergency Plan
  - Inspect Chemical Inventory
  - Confirm presence of emergency response plans and procedures
  - Confirm posting of NFPA 704 signs/placards
  - Inspect storage facilities
  - Identify violations and identify correction timeline

## **EXHIBIT "B"**

### **SCHEDULE OF SERVICES**

Consultant promises and agrees to furnish to city all labor, materials, tools, equipment, services, and incidental and customary work to fully and adequately supply the Services within any reasonable time frames established by the City's Representative.

**EXHIBIT "C"**  
**COMPENSATION**

<b>Scope of Work Category: Backflow Prevention</b>					
<b>Item</b>	<b>Description</b>	<b>Unit of Measure</b>	<b>Quantity</b>	<b>Cost/Unit</b>	<b>Subtotal</b>
001	Project Manager	Hour	78	\$105/hour	\$ 8,190
002	Technical Lead	Hour	124	\$95/hour	\$ 11,780
003	Lead Tester	Hour	314	\$85/hour	\$ 26,690
004	Sub-contracted Tester	Hour	910	\$80/hour	\$ 72,800
005	G&G Staff Testers	Hour	1,390	\$72/hour	\$ 100,080
006	Administrative Support	Hour	830	\$60/hour	\$ 49,800
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 12,000
<b>Program Total</b>					<b>\$ 281,400</b>

<b>Scope of Work Category: Cross-Connection Control</b>					
<b>Item</b>	<b>Description</b>	<b>Unit of Measure</b>	<b>Quantity</b>	<b>Cost/Unit</b>	<b>Subtotal</b>
001	Project Manager	Hour	124	\$105/hour	\$ 13,020
002	Technical Lead	Hour	238	\$95/hour	\$ 22,610
003	Lead Specialist	Hour	926	\$90/hour	\$ 83,340
004	Sub-contracted Specialist	Hour	300	\$90/hour	\$ 27,000
005	Specialist Support Team	Hour	1,310	\$72/hour	\$ 94,320
006	Administrative Support	Hour	366	\$60/hour	\$ 21,960
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 3,500
<b>Program Total</b>					<b>\$ 265,700</b>

<b>Scope of Work Category: Reclaimed Water Conversions</b>					
<b>Item</b>	<b>Description</b>	<b>Unit of Measure</b>	<b>Quantity</b>	<b>Cost/Unit</b>	<b>Subtotal</b>
001	Project Manager	Hour	8	\$105/hour	\$ 840
002	Technical Lead	Hour	29	\$95/hour	\$ 2,755
003	Lead Specialist	Hour	806	\$90/hour	\$ 72,540
004	Sub-contracted Specialist	Hour	154	\$90/hour	\$ 13,860
005	Administrative Support	Hour	40	\$60/hour	\$ 2,400
006	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 2,000
<b>Program Total</b>					<b>\$ 94,400</b>

**EXHIBIT “C”****COMPENSATION – CONT'D**

<b>Scope of Work Category: Source Control &amp; Industrial Pretreatment</b>					
<b>Item</b>	<b>Description</b>	<b>Unit of Measure</b>	<b>Quantity</b>	<b>Cost/Unit</b>	<b>Subtotal</b>
001	Project Manager	Hour	103	\$105/hour	\$ 10,815
002	Technical Lead	Hour	700	\$95/hour	\$ 66,500
003	Grade IV Inspector	Hour	485	\$85/hour	\$ 41,225
004	Grade II Inspector	Hour	630	\$72/hour	\$ 45,360
005	Inspector Trainee	Hour	1,055	\$45/hour	\$ 47,475
006	Administrative Support	Hour	300	\$60/hour	\$ 18,000
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 12,000
<b>Program Total</b>					<b>\$ 241,400</b>

<b>Scope of Work Category: Hazardous Materials Inspection Program</b>					
<b>Item</b>	<b>Description</b>	<b>Unit of Measure</b>	<b>Quantity</b>	<b>Cost/Unit</b>	<b>Subtotal</b>
001	Project Manager	Hour	40	\$105/hour	\$ 4,200
002	Technical Lead	Hour	163	\$95/hour	\$ 15,485
003	Lead Inspector	Hour	164	\$85/hour	\$ 13,940
004	Inspector II	Hour	164	\$72/hour	\$ 11,808
005	Inspector I	Hour	179	\$60/hour	\$ 10,740
006	Administrative Support	Hour	90	\$60/hour	\$ 5,400
007	Mileage Reimbursement	Miles	-	\$0.56/mile	\$ 1,000
<b>Program Total</b>					<b>\$ 62,600</b>

**The Total Compensation shall not exceed \$945,500.**

## **EXHIBIT "C"**

### **COMPENSATION – CONT'D**

Consultant's rates shall remain effective and in force for the initial fiscal year period July 1, 2014 through June 30, 2015 ("Initial Fiscal Year").

Consultant's rate schedule, as provided herein, may be adjusted annually effective with the start of the second fiscal year and continuing through the fifth year as follows:

Second Year:	July 1, 2015 through June 30, 2016
Third Year:	July 1, 2016 through June 30, 2017
Fourth Year:	July 1, 2017 through June 30, 2018
Fifth Year:	July 1, 2018 through June 30, 2019

Pricing shall be negotiated by the Parties approximately 60 days prior to commencement of the next fiscal year. Price adjustments shall remain effective and in force for each fiscal year period and shall be made in accordance with and shall not exceed the percentage of change in the United States Bureau of Labor Statistics Consumer Price Index "All Urban Consumers for Los Angeles- Riverside-Orange County, California, (CPI-U)", not seasonally adjusted, for the most recent twelve (12) months for which statistics are available. This method of price adjustment shall apply to each fiscal year period beyond the Initial Fiscal Year and is only effective upon issuance by the City of a duly authorized Purchase Order for each new fiscal year.

Only one price escalation adjustment per year will be granted, however, across the board price decreases are subject to implementation at any time and shall be immediately conveyed to the City.