



# City of San Leandro

Meeting Date: March 1, 2021

## Staff Report

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**File Number:** 21-069

**Agenda Section:** CONSENT CALENDAR

**Agenda Number:** 8.G.

**TO:** City Council

**FROM:** Fran Robustelli  
Interim City Manager

**BY:** Keith Cooke  
Engineering & Transportation Director

**FINANCE REVIEW:** Susan Hsieh  
Finance Director

**TITLE:** Staff report for a City of San Leandro City Council Resolution to Authorize the City Manager to Execute a \$2,670,000 Consulting Services Agreement with Leland Environmental Solutions Corporation for Remediation of Soil at the Water Pollution Control Plant, Project 2015.0300; to Authorize the City Manager to Negotiate and Approve Contract Amendments Up to 10% (or \$267,000) of the Original Contract Amount; and to Appropriate \$500,000 for the Project in Fiscal Year 2020-2021

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### SUMMARY AND RECOMMENDATIONS

Authorizes a contract for design and furnishing materials to remediate stockpiled soil at the Water Pollution Control Plant (WPCP) that is proposed for use in transforming the former polishing ponds into a wetland treatment area for WPCP effluent.

Staff recommends:

- execution of the contract with Leland Environmental Solutions Corporation (Leland);
- authorization to approve contract amendments up to 10% of the original contract amount; and
- appropriation of \$500,000 from the WPCP Enterprise Fund for the project.

### BACKGROUND

The WPCP rehabilitation project, accepted by City Council on May 2, 2016, generated a large volume of soil, most of which was off hauled as part of the original construction project. Approximately 40,000 tons of the dirt generated was found to have higher than expected levels of metal and other contaminants and was stockpiled on site for possible treatment, re-use, or off haul. This dirt was stockpiled because the cost of treatment, re-use, and/or off haul was deemed to be significant enough to warrant competitive bidding of the work.

The City awarded a contract for off haul of the cleanest portion of the material in 2017 but testing

performed by the contractor revealed that pesticides were present in some locations and consequently the original disposal site would no longer accept the dirt. The contract for hauling was cancelled and the City began to investigate methods for remediating the entire stockpile so that it could be removed from the site.

Subsequent to cancelation of the 2017 dirt removal contract, the City received a grant to prepare a design for conversion of the former polishing ponds to a wetland treatment area for WPCP effluent. The project will require dirt to fill the polishing ponds and the stockpiled soil could constitute a portion of this fill if desired.

While there is currently no regulatory requirement to remediate dirt that remains on site, staff investigated options so that costs and benefits of remediating the dirt could be evaluated. Cement or lime is commonly used to remediate soil containing metals but is ineffective on pesticides. Traditional pesticide remediation uses specific plants to absorb the chemicals which requires both an area to lay the dirt out in a thin layer and time for plants to grow. The area required for treatment of the soil in this method is 24 acres, and the treatment could take 2 years to complete. Unfortunately, there is no land available on site in the required size for the treatment period. This method also only treats pesticides, metals would still require treatment with cement, making this more expensive than other options, even if land was available. The City contacted several consulting firms that specialize in soil remediation and while they were all familiar with the traditional methods for pesticide mitigation only Leland had a solution that could work with the WPCP's space constraints. Leland proposes using biochar (charcoal prepared from organic material) to not only remediate the soil for metals but also to bind the pesticides via adsorption, and thus prevent them from leaching out of the soil.

The biochar method seemed promising and the City solicited bids in 2019 from construction teams to test the dirt, specify, and supply the biochar, mix the material, and move it to the polishing ponds. Unfortunately, this process is not common, and no bids were received. The only way to remediate the dirt with biochar is to hire Leland for the design and supply of materials and then hire a contractor to process and move the dirt.

## **Analysis**

Staff considered the following options for this work:

- 1) reuse dirt without treatment;
- 2) treat the dirt with cement and reuse it;
- 3) treat the dirt with the proprietary biochar offered by Leland and reuse it on site; or
- 4) treat the dirt with cement, haul it to a regulated dump site, and import make up soil for the wetland treatment project.

Reusing the dirt without treatment is currently permitted but the City would remain liable for the future cost of cleanup, if and when regulations change. Future clean up would be more expensive than current clean up; consequently, this option was discarded.

Reusing the dirt on site with cement treatment relies on a common process that many contractors can perform. However, the amount of cement required is significant and is predicted to transform the soil into solid chunks that are not suitable for the proposed re-use; consequently, this option

was discarded.

Reusing the dirt on site after treating with biochar is estimated to cost \$7.5M. This estimate is based on an assumed volume of biochar, if the actual quantity needed is different the cost will be higher or lower; the maximum likely value of the work is \$8M and this amount will be known when the design is complete. This option uses innovative materials to remediate the soil and extensive testing will be performed after treatment to ensure performance. If the post-treatment test results are unsatisfactory, the design consultant is required to pay for additional treatment until such time as all samples pass testing. This option requires a minimal amount of truck trips as the material is re-used on site.

Off hauling the dirt after cement treatment is the only other viable option. Similar to the biochar option, the design and construction cost is estimated at \$7.5M. This estimate includes the price to bring in an equivalent volume of soil for placement in the former polishing pond. There is risk of higher costs with this option as the cost is primarily to transport the material, which will be hauled to a permitted waste disposal site. The estimate is based on a local disposal site, but it is possible that the material will need to be moved out of state at an increased cost. Although this process can stabilize only the metals within the soil and will not address the pesticides, the material should be acceptable for placement in a class II regulated dump facility. This process requires approximately 2,600 more truck trips than the biochar option and the design time is slightly longer which results in approximately \$240,000 of additional costs to haul sludge due to one season of lost use of the drying beds upon which the dirt is stored.

Staff recommends the third option: hiring Leland and mitigating all the contaminants in the dirt. Use of biochar is innovative and that carries some risk of higher than estimated costs, but there are cost savings due to quicker implementation as well as less impact on the neighborhood from trucking activity. Reducing the number of truck trips as well as the attendant emissions associated with this activity supports the goals of the City's Climate Action Plan. Leland has quoted a significant fee for the design work; Leland guarantees that its design will work and agrees to pay for rework of the soil if certain testing goals are not met. Rework of the soil could potentially cost millions of dollars; thus, Leland's fee reflects not just the effort required to do the work but also the cost of carrying the risk that Leland may need to rework the soil.

Leland must complete its design work before the exact quantity of biochar is known. In order to respond to changes in the amount of biochar needed in a timely fashion and avoid delaying work, staff requests authorization to issue individual contract amendments to the consultant up to 10% or \$267,000. If the design indicates the need for a quantity of biochar that exceeds the current change order authorization, staff will bring a report to the City Council before proceeding.

Staff recommends appropriation of an additional \$500,000 of WPCP enterprise funds for the project, which is sufficient to cover the work by Leland and the design phase of the project. Additional funding will be requested when a construction contract is awarded to mix and move the dirt.

### **Current Agency Policies**

- Maintain and enhance San Leandro's infrastructure.

**Previous Actions**

- On January 21, 2014, via Resolution No. 14-005, Council appropriated funding for off haul of stockpiled soil.
- On October 2, 2017, via Resolution No. 2017-136, Council awarded the contract for WPCP Dirt Removal 2017.
- On March 19, 2018, via Resolution No. 2018-023, Council canceled the contract to off haul the stockpiled soil due to higher than anticipated contamination.

**Applicable General Plan Policies**

- Policy EH-4.9 Nearshore Waters. Ensure the continued improvement of nearshore waters through the regulation of water pollution sources along the San Leandro shoreline, including boating and other water-oriented activities.

**Permits and/or Variances Granted**

The existing water board permit for the WPCP covers this work.

**Environmental Review**

This project is categorically exempt from the California Environmental Quality Act (CEQA) per Section 15304(a) of the CEQA guidelines.

**Fiscal Impacts**

The cost of this contract is \$2,670,000, which includes design, furnishing material, and quality control during construction.

The total project cost is as follows:

Phase 1

Design and Bid:	\$750,000
Furnish Biochar (Leland):	\$1,750,000
Quality Control (Leland):	\$374,000
<u>Contingency:</u>	<u>276,000</u>
Sub Total	\$3,150,000

Phase 2

Construction:	\$3,615,000
Contingency:	\$649,000
<u>Construction Management and Inspection:</u>	<u>\$86,000</u>
Sub Total	\$4,350,000

Project Total \$7,500,000

**Budget Authority**

<u>Account No.</u>	<u>Source</u>	<u>Fiscal Year</u>	<u>Amount</u>
593-52-229	WPCP Enterprise Fund	FY13/14	\$2,650,000
593-52-229	WPCP Enterprise Fund	Req. by this action	\$500,000
	Total		\$3,150,000

**Attachment to Related Legislative File**

- CSA Leland WPCP Dirt Treatment 2021

**PREPARED BY:**

Nick Thom, City Engineer, Engineering and Transportation Department  
Justin Jenson, WPCP Manager, Public Works Department



# City of San Leandro

Meeting Date: March 1, 2021

## Resolution - Council

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**File Number:** 21-070

**Agenda Section:** CONSENT CALENDAR

**Agenda Number:**

**TO:** City Council

**FROM:** Fran Robustelli  
Interim City Manager

**BY:** Keith Cooke  
Engineering & Transportation Director

**FINANCE REVIEW:** Susan Hsieh  
Finance Director

**TITLE:** RESOLUTION of the City of San Leandro City Council to Authorize the City Manager to Execute a \$2,670,000 Consulting Services Agreement with Leland Environmental Solutions Corporation for Remediation of Soil at the Water Pollution Control Plant, Project 2015.0300; to Authorize the City Manager to Negotiate and Approve Contract Amendments Up to 10% (or \$267,000) of the Original Contract Amount; and to Appropriate \$500,000 for the Project in Fiscal Year 2020-2021 (provides for the design and supply of soil remediation material for the WPCP)

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WHEREAS, an agreement between the City of San Leandro and Leland Environmental Solutions Corporation is presented to this City Council; and

WHEREAS, the City Council is familiar with the contents thereof; and

WHEREAS, the City Manager recommends approval of said agreement.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

1. That said agreement substantially in the form presented is hereby approved and execution by the City Manager is hereby authorized; and
2. That the City Manager is authorized to make non-substantial revisions to said agreement, subject to the approval of the City Attorney; and
3. That an original executed agreement shall be attached to and made a part of this resolution; and
4. That the City Manager or his designee is authorized to negotiate and approve individual contract amendments up to a maximum of \$267,000, which is 10% of the original

contract amount; and

5. That \$500,000 of WPCP Enterprise Funds be appropriated to account 593-52-229 for the project.

**CONSULTING SERVICES AGREEMENT BETWEEN  
THE CITY OF SAN LEANDRO AND  
LELAND ENVIRONMENTAL SOLUTIONS CORPORATION  
FOR  
WPCP DIRT RELOCATION**

THIS AGREEMENT for consulting services is made by and between the City of San Leandro ("City") and Leland Environmental Solutions Corporation ("Consultant") (together sometimes referred to as the "Parties") as of \_\_\_\_\_, 2021 (the "Effective Date").

**Section 1. SERVICES.** Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 **Term of Services.** The term of this Agreement shall begin on the Effective Date and shall end on December 31, 2022, the date of completion specified in Exhibit A, and Consultant shall complete the work described in Exhibit A on or before that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Consultant to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as referenced in Section 8.
- 1.2 **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged.
- 1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Consultant shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.
- 1.4 **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Subsection 1.2 above and to satisfy Consultant's obligations hereunder.
- 1.5 **Public Works Requirements.** Because the services described in Exhibit A include "work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work," the services constitute a public works within the definition of Section 1720(a)(1) of the California Labor Code. As a result, Consultant is required to comply with the provisions of the California Labor Code applicable to public works, to the extent set forth in Exhibit E.
- 1.6 **City of San Leandro Living Wage Rates.** This contract may be covered by the City of San Leandro Living Wage Ordinance (LWO). Consultant's attention is directed to the San



Leandro Municipal Code, Title 1, Chapter 6, Article 6. Consultant must submit completed self-certification form and comply with the LWO if covered.

- 1.7 **Public Works Contractor Registration.** Consultant agrees, in accordance with Section 1771.1 of the California Labor Code, that Consultant or any subconsultant shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in Chapter 1 of Part 7 of Division 2 of the California Labor Code, unless currently registered and qualified to perform public work pursuant to California Labor Code section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded. No contractor or subcontractor may be awarded a contract for public work on a public works project unless registered with the Department of Industrial Relations pursuant to California Labor Code section 1725.5. Consultant agrees, in accordance with Section 1771.4 of the California Labor Code, that if the work under this Agreement qualifies as public work, it is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

**Section 2. COMPENSATION.** City hereby agrees to pay Consultant a sum not to exceed \$2,670,000, (two million, six hundred seventy thousand dollars) notwithstanding any contrary indications that may be contained in Consultant's proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Consultant's proposal, regarding the amount of compensation, the Agreement shall prevail. City shall pay Consultant for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City in writing, Consultant shall not bill City for duplicate services performed by more than one person.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the Parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

- 2.1 **Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;

- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder;
- The Consultant's signature;
- Consultant shall give separate notice to the City when the total number of hours worked by Consultant and any individual employee, agent, or subcontractor of Consultant reaches or exceeds 800 hours within a 12-month period under this Agreement and any other agreement between Consultant and City. Such notice shall include an estimate of the time necessary to complete work described in Exhibit A and the estimate of time necessary to complete work under any other agreement between Consultant and City, if applicable.

2.2 **Monthly Payment.** City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

2.3 **Final Payment.** City shall pay the last 10% of the total sum due pursuant to this Agreement within 60 days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.

2.4 **Total Payment.** City shall pay for the services to be rendered by Consultant pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.

2.5 **Hourly Fees.** Fees for work performed by Consultant on an hourly basis shall not exceed the amounts shown on the compensation schedule attached hereto as Exhibit B.

- 2.6 **Reimbursable Expenses.** Reimbursable expenses are included in the lump sum fee above. Reimbursable rates for extra work authorized in advance by City and contained in a writing signed by the parties, are specified in Exhibit B. Expenses not listed in Exhibit B are not chargeable to City.
- 2.7 **Payment of Taxes.** Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.
- 2.8 **Payment upon Termination.** In the event that the City or Consultant terminates this Agreement pursuant to Section 8, the City shall compensate the Consultant for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets to verify costs incurred to that date.
- 2.9 **Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

**Section 3. FACILITIES AND EQUIPMENT.** Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Consultant only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

**Section 4. INSURANCE REQUIREMENTS.** Before fully executing this Agreement, Consultant, at its own cost and expense, unless otherwise specified below, shall procure the types and amounts of insurance listed below against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant and its agents, representatives, employees, and subcontractors. Consistent with the following provisions, Consultant shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects, and that such insurance is in effect prior to beginning work. Consultant shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid or proposal. Consultant shall not allow any subcontractor to commence work on any subcontract until Consultant has obtained all insurance required herein for the subcontractor(s) and provided evidence to City that such insurance is in effect. VERIFICATION OF THE REQUIRED INSURANCE SHALL BE SUBMITTED AND MADE PART OF THIS AGREEMENT PRIOR TO EXECUTION. Consultant shall maintain all required insurance listed herein for the duration of this Agreement.

- 4.1 **Workers' Compensation.**

4.1.1 **General Requirements.** Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than \$1,000,000 per accident. In the alternative, Consultant may rely on a self-insurance program to meet these requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the California Labor Code shall be solely in the discretion of the Contract Administrator.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the entity for all work performed by the Consultant, its employees, agents, and subcontractors.

4.1.2 **Submittal Requirements.** To comply with Subsection 4.1, Consultant shall submit the following:

- a. Certificate of Liability Insurance in the amounts specified in the section; and
- b. Waiver of Subrogation Endorsement as required by the section.

#### 4.2 **Commercial General and Automobile Liability Insurance.**

4.2.1 **General Requirements.** Consultant, at its own cost and expense, shall maintain commercial general liability insurance for the term of this Agreement in an amount not less than \$2,000,000 per occurrence and \$4,000,000 aggregate and automobile liability insurance for the term of this Agreement in an amount not less than \$1,000,000 per occurrence, and Pollution Legal Liability insurance for the term of this Agreement in an amount not less than \$2,000,000 per loss, combined single limit coverage for risks associated with the work contemplated by this Agreement

If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 **Minimum Scope of Coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form

CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001, Code 1 (any auto). No endorsement shall be attached limiting the coverage.

**4.2.3 Additional Requirements.** Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

- a. The Insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- b. City, its officers, officials, employees, and volunteers are to be covered as additional insureds as respects: liability arising out of work or operations performed by or on behalf of the Consultant; or automobiles owned, leased, hired, or borrowed by the Consultant.
- c. Consultant hereby agrees to waive subrogation which any insurer or contractor may require from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation.
- d. For any claims related to this Agreement or the work hereunder, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

**4.2.4 Submittal Requirements.** To comply with Subsection 4.2, Consultant shall submit the following:

- a. Certificate of Liability Insurance in the amounts specified in the section;
- b. Additional Insured Endorsement as required by the section;
- c. Waiver of Subrogation Endorsement as required by the section; and
- d. Primary Insurance Endorsement as required by the section.

### **4.3 Professional Liability Insurance.**

**4.3.1 General Requirements.** Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than \$1,000,000 covering the licensed professionals' errors and

omissions. Any deductible or self-insured retention shall not exceed \$150,000 per claim.

**4.3.2 Claims-Made Limitations.** The following provisions shall apply if the professional liability coverage is written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least 5 years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant shall purchase an extended period coverage for a minimum of 5 years after completion of work under this Agreement.
- d. A copy of the claim reporting requirements must be submitted to the City for review prior to the commencement of any work under this Agreement.

**4.3.3 Additional Requirements.** A certified endorsement to include contractual liability shall be included in the policy.

**4.3.4 Submittal Requirements.** To comply with Subsection 4.3, Consultant shall submit the Certificate of Liability Insurance in the amounts specified in the section.

**4.4 Cyber Liability Insurance.**  
Not Used

**4.5 All Policies Requirements.**

**4.5.1 Acceptability of Insurers.** All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

**4.5.2 Verification of Coverage.** Prior to beginning any work under this Agreement, Consultant shall furnish City with complete copies of all Certificates of Liability Insurance delivered to Consultant by the insurer, including complete copies of all endorsements attached to the policies. All copies of Certificates of Liability Insurance and certified endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf. If the City does not receive the required insurance documents prior to the Consultant beginning work, it shall not waive the Consultant's obligation to provide them. The City reserves the right to require complete copies of all required insurance policies at any time.

- 4.5.3 **Deductibles and Self-Insured Retentions.** Consultant shall disclose to and obtain the written approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, employees, and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- 4.5.4 **Wasting Policies.** No policy required by this Section 4 shall include a “wasting” policy limit (i.e. limit that is eroded by the cost of defense).
- 4.5.5 **Endorsement Requirements.** Each insurance policy required by Section 4 shall be endorsed to state that coverage shall not be canceled by either party, except after 30 days’ prior written notice has been provided to the City.
- 4.5.6 **Subcontractors.** Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

4.6 **Submittal of Proof of Insurance Coverage.** All certificates of insurance and original endorsements effecting coverage required in this Section 4 must be electronically submitted through the City’s online insurance document management program, PINS Advantage. Contractor shall comply with all requirements provided by City related to the PINS Advantage program.

4.7 **Remedies.** In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Consultant’s breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

**Section 5.** **INDEMNIFICATION AND CONSULTANT’S RESPONSIBILITIES.** Refer to the attached Exhibit C, which is incorporated herein and made a part of this Agreement.

**Section 6. STATUS OF CONSULTANT.**

- 6.1 **Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subsection 1.3; however, otherwise City shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits.
- 6.2 **Consultant Not an Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

**Section 7. LEGAL REQUIREMENTS.**

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to, the California Building Code, the Americans with Disabilities Act, and any copyright, patent or trademark law. Consultant's failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.
- 7.3 **Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Consultant and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 **Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Consultant represents and warrants to City that Consultant and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid Business Licenses from City.



- 7.5 **Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Consultant shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

## **Section 8. TERMINATION AND MODIFICATION.**

- 8.1 **Termination.** City may cancel this Agreement at any time and without cause upon written notification to Consultant.

Consultant may cancel this Agreement upon 60 days' written notice to City and shall include in such notice the reasons for cancellation.

In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement.

- 8.2 **Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Consultant understands and agrees that, if City grants such an extension, City shall have no obligation to provide Consultant with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Consultant for any otherwise reimbursable expenses incurred during the extension period.

- 8.3 **Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.

- 8.4 **Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant.

Consultant may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.

- 8.5 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant shall survive the termination of this Agreement.
- 8.6 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but are not limited to, the following:
- 8.6.1 Immediately terminate the Agreement;
  - 8.6.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
  - 8.6.3 Retain a different consultant to complete the work described in Exhibit A not finished by Consultant; or
  - 8.6.4 Charge Consultant the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

## **Section 9. KEEPING AND STATUS OF RECORDS.**

- 9.1 **Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both Parties.
- 9.2 **Consultant's Books and Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.

- 9.3 **Inspection and Audit of Records.** Any records or documents that Subsection 9.2 of this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds \$10,000.00, the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of 3 years after final payment under the Agreement.

**Section 10. MISCELLANEOUS PROVISIONS.**

- 10.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Alameda or in the United States District Court for the Northern District of California.
- 10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 **Use of Recycled Products.** Consultant shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 **Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Section 1090 *et seq.*

Consultant hereby warrants that it is not now, nor has it been in the previous 12 months, an employee, agent, appointee, or official of the City. If Consultant was an employee, agent, appointee, or official of the City in the previous 12 months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of California Government Code Section 1090 *et seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of California Government Code Section 1090 *et seq.*, and, if applicable, will be disqualified from holding public office in the State of California.

At City's sole discretion, Consultant may be required to file with the City a Form 700 to identify and document Consultant's economic interests, as defined and regulated by the California Fair Political Practices Commission. If Consultant is required to file a Form 700, Consultant is hereby advised to contact the San Leandro City Clerk for the Form 700 and directions on how to prepare it.

10.8 **Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

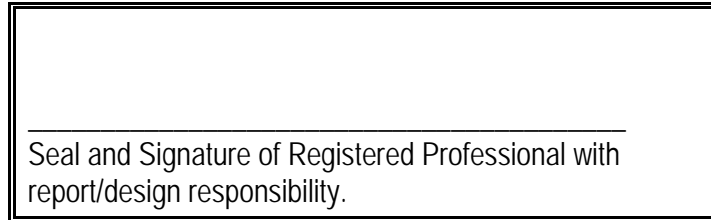
10.9 **Contract Administration.** This Agreement shall be administered by \_\_\_\_\_ ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.

10.10 **Notices.** Any written notice to Consultant shall be sent to:  
Edward Schmitt Jr  
Leland Environmental Solutions Corporation  
554 Ygnacio Valley Road  
Walnut Creek, CA 94596  
eddyceo@lelandenvsolutions.com  
415-740-5714

Any written notice to City shall be sent to:  
Nick Thom, City Engineer  
City of San Leandro  
835 East 14<sup>th</sup> Street  
San Leandro, CA 94577

With a copy to:  
City of San Leandro  
Department of Finance  
c/o Purchasing Agent  
835 East 14<sup>th</sup> Street

- 10.11 **Professional Seal.** Where applicable in the determination of the contract administrator, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility," as in the following example.



- 10.12 **Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibits A, B, C, D, and E represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral.

<u>Exhibit A</u>	Scope of Services
<u>Exhibit B</u>	Compensation Schedule & Reimbursable Expenses
<u>Exhibit C</u>	Indemnification
<u>Exhibit D</u>	COVID-19 Compliance Requirements
<u>Exhibit E</u>	California Labor Code Section 1720 Information

- 10.13 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

- 10.14 **Certification per Iran Contracting Act of 2010.** In the event that this contract is for one million dollars (\$1,000,000.00) or more, by Consultant's signature below Consultant certifies that Consultant, and any parent entities, subsidiaries, successors or subunits of Consultant are not identified on a list created pursuant to subdivision (b) of Section 2203 of the California Public Contract Code as a person engaging in investment activities in Iran as described in subdivision (a) of Section 2202.5, or as a person described in subdivision (b) of Section 2202.5 of the California Public Contract Code, as applicable.

**SIGNATURES ON FOLLOWING PAGE**

The Parties have executed this Agreement as of the Effective Date. The persons whose signatures appear below certify that they are authorized to sign on behalf of the respective Party.

CITY OF SAN LEANDRO

LELAND ENVIRONMENTAL SOLUTIONS

\_\_\_\_\_  
Frances Robustelli, Interim City Manager

\_\_\_\_\_  
Edward Schmitt Jr, CEO

Attest:

\_\_\_\_\_  
Consultant's DIR Registration Number  
(if applicable)

\_\_\_\_\_  
Leticia I. Miguel, City Clerk

Budget Approved:

Approved as to Fiscal Authority:

\_\_\_\_\_  
Susan Hsieh, Finance Director

\_\_\_\_\_  
Account Number

Approved as to Form:

\_\_\_\_\_  
Richard D. Pio Roda, City Attorney

Per Section 10.7: Form 700 Not Required

\_\_\_\_\_  
Keith Cooke, PE, Director Engineering and Transportation Dept.

## EXHIBIT A

### SCOPE OF SERVICES

#### **Project Description**

The City has a project to construct a wetland type waste water treatment area in the former polishing pond at the west end of the existing Water Pollution Control Plant located at 3000 Davis Street, San Leandro. A portion of the fill for the polishing pond will consist of approximately 26,000 cubic yards of soil that is currently stockpiled on the sludge drying beds of the plant.

#### **Scope of Work**

This contract is for testing the stockpiled soil, preparation of a plan to remediate contaminants within the soil, and furnishing of a proprietary product to mix into the soil. Soil mixing, transportation from the existing stockpile to the pond, and placement within the pond will be done by a contractor under a separate agreement.

#### **Task 1: Pre Treatment Soil Sampling and Characterization**

Consultant shall obtain samples from the soil stockpile and characterize the contaminants within each sample. Number and location of samples shall be as required to accomplish Task 2.

City shall provide: Access to the site, past testing data.

Deliverable: List and concentration of contaminants for each sample in pdf format, map showing location of each sample.

Schedule: Task 1 shall be completed within 6 weeks of notice to proceed

#### **Task 2: Design**

Consultant shall prepare a design for reducing the soluble pollutants by mixing with a product that bonds to pollutants via adhesion to no more than the Tier 1 ESL limits published for soil by the San Francisco Bay Regional Water Quality Board. The amount of soluble pollutants shall be determined by the California Waste Extraction Test using deionized water as the leaching agent (DI-WET).

Design shall set forth the type and quantity of admixture (biochar) to be used, the ratio of admixture to soil, the mixing process, the curing period (if any), and any other steps required for a successful field operation.

Design shall be supported by laboratory tests for soluble pollutants conducted on at least 26 samples collected throughout the stockpile. Samples may be combined for treatment evaluation purposes. All tests shall indicate that the design successfully reaches the target pollutant levels.

Deliverable: Design in pdf and Microsoft Word compatible files, test results supporting the design in pdf.

Schedule: Task 2 shall be completed within 6 weeks of notice to proceed

#### **Task 3: Approve Construction Documents**

City will incorporate Consultants design into construction documents. Consultant shall review said documents for conformance with design intent.

City shall provide: Construction documents.

Deliverable: Letter indicating Construction documents conform with design intent.

Schedule: Task 3 shall be completed 1 week after receipt of Construction Documents.

#### **Task 4: Furnish Materials**

Consultant shall deliver to site sufficient quantity of admixture to treat the entire stockpile. Material shall be dumped on the ground such that it may be stockpiled by City's contractor. The fee listed for this task includes 7000 cubic yards of biochar. If actual quantity required differs from this number the contract shall be amended to revise the fee.

Deliverable: Admixture

Schedule: Material shall be delivered to the site at the rate required and on dates needed to match City's Contractors soil treatment schedule. Construction schedule shall allow 3 months for material generation, and delivery must be scheduled at least 30 days in advance.

#### **Task 5: Construction Observation**

Consultant shall observe implementation of the design by City's contractor and shall immediately notify City if work is not in conformance with the design intent. Observations shall be sufficient to ensure that the work is performed as specified by the design.

Deliverable: Letters indicating that work has been performed as specified by the design.

Schedule: Observations shall be scheduled to coincide with the operations of City's contractor. Letter shall be provided at the end of each work day.

#### **Task 6: Post Treatment Soil Testing**

Consultant shall take sample of treated soil and perform tests on the samples to verify that soluble pollutants are at or below the level listed above. Consultant shall test one sample for each 500 cubic yards of treated material.

Deliverable: Log of sample dates and times, test results for each sample.

Schedule: Sampling shall be scheduled to coincide with the operations of City's contractor. Test results shall be submitted as soon as possible and no later than 2 days after lab work is complete. Log shall be submitted with each test result.

#### **Task 7: Rework**

Consultant shall excavate, stockpile, treat, and test all soil identified in task 6 that fails to meet the soluble pollutant limits specified above. Consultant shall supply admixture for this process. When a sample from task 6 fails to meet the specifications all soil between test results that do meet the specification shall be reworked. Reworked soil shall be tested per task 6. This process shall continue until all soil meets the soluble pollutant limits.

Deliverable: Work plan for any area requiring rework.

Schedule: Task 7 shall commence immediately upon submittal of a test result that fails to meet the specifications and shall be pursued without interruption until complete.



## EXHIBIT B

### COMPENSATION SCHEDULE & REIMBURSABLE EXPENSES

Site Observation	\$175/hr
Design/Analysis	\$350/hr
Biochar, delivered:	\$250/cubic yard
Laboratory work:	Cost + 15%
Sub-consultants:	Cost + 15%

#### Fee by Task

Task 1: Pre Treatment Soil Sampling and Characterization	\$100,000
Task 2: Design	\$400,000
Task 3: Approve Construction Documents	\$46,000
Task 4: Furnish Materials*	\$1,750,000
Task 5: Construction Observation	\$287,000
Task 6: Post Treatment Soil Testing	\$87,000
Task 7: Rework	\$0
Total	\$2,670,000

\*Materials will be furnished at the unit prices listed above, fee shown is based on estimated quantity

## EXHIBIT C

### INDEMNIFICATION

Consultant shall indemnify, defend with counsel acceptable to City, and hold harmless City and its officers, elected officials, employees, agents and volunteers from and against any and all liability, loss, damage, claims, expenses, and costs (including without limitation, attorney's fees and costs and fees of litigation) (collectively, "Liability") of every nature arising out of or in connection with Consultant's performance of the services called for or its failure to comply with any of its obligations contained in this Agreement, except such Liability caused by the sole negligence or willful misconduct of City.

Notwithstanding the forgoing, to the extent this Agreement is a "construction contract" as defined by California Civil Code Section 2782, as may be amended from time to time, such duties of Consultant to indemnify shall not apply when to do so would be prohibited by California Civil Code Section 2782.

The Consultant's obligation to defend and indemnify shall not be excused because of the Consultant's inability to evaluate Liability or because the Consultant evaluates Liability and determines that the Consultant is not liable to the claimant. The Consultant must respond within 30 days to the tender of any claim for defense and indemnity by the City. If the Consultant fails to accept or reject a tender of defense and indemnity within 30 days, in addition to any other remedy authorized by law, so much of the money due the Consultant under and by virtue of this Agreement as shall reasonably be considered necessary by the City, may be retained by the City until disposition has been made of the claim or suit for damages, or until the Consultant accepts or rejects the tender of defense, whichever occurs first.

Consultant shall also indemnify, defend and hold harmless the City from all suits or claims for infringement of any patent rights, copyrights, trade secrets, trade names, trademarks, service marks, or any other proprietary rights of any person or persons because of the City or any of its officers, employees, volunteers, or agents use of articles, products things, or services supplied in the performance of Consultant's services under this Agreement, however, the cost to defend charged to Consultant shall not exceed Consultant's proportionate percentage fault.

## EXHIBIT D

The novel coronavirus ("COVID-19") has been declared a worldwide pandemic by the World Health Organization. The City of San Leandro is currently in a local emergency and state of emergency due to the COVID-19 pandemic.

COVID-19 is extremely contagious, and is believed to spread mainly from person-to-person contact, through touched surfaces, and in airborne particles. As a result, federal, state, and local governments, including the City of San Leandro, and federal, state, county, and local health agencies recommend social distancing and additional cleaning protocols to limit the spread of the disease. The City has taken steps and put in place preventative measures recommended by federal, state, and local health agencies to reduce the spread of COVID-19. These measures include steps each person must take to prevent the spread of COVID-19 and include, but are not limited to, requiring face coverings, frequent hand washing and/or use of hand sanitizer, social distancing where possible, limiting of person-to-person contact, frequent cleanings of high-touch surfaces, and avoiding entering any building if they have COVID-19 symptoms.

Consultant shall obey all local orders and abide by all applicable preventative measures recommended by federal, state, county, and local health agencies and any preventative measures specifically implemented by the City. Consultant agrees that when entering any City buildings, Consultant will follow all COVID-19 related signage, wear a face covering, follow all social distancing protocols, and abide by any other COVID-19 preventative measure that are in place when performing the services described in this Agreement. Consultant shall also adhere to any subsequently communicated COVID-19 preventative measures as directed by City staff. The COVID-19 preventative measures are subject to change over time, and Consultant shall maintain knowledge of and adhere to the current COVID-19 preventative measures when interacting with City employees, officials, volunteers, agents, and representatives, and when entering City buildings.

## EXHIBIT E

### PROVISIONS REQUIRED FOR PUBLIC WORKS CONTRACTS PURSUANT TO CALIFORNIA LABOR CODE SECTION 1720 *ET SEQ.*

#### HOURS OF WORK:

- A. In accordance with California Labor Code Section 1810, 8 hours of labor in performance of the services described in Exhibit A shall constitute a legal day's work under this contract.
- B. In accordance with California Labor Code Section 1811, the time of service of any worker employed in performance of the services described in Exhibit A is limited to 8 hours during any one calendar day, and 40 hours during any one calendar week, except in accordance with California Labor Code Section 1815, which provides that work in excess of 8 hours during any one calendar day and 40 hours during any one calendar week is permitted upon compensation for all hours worked in excess of 8 hours during any one calendar day and 40 hours during any one calendar week at not less than one-and-one-half times the basic rate of pay.
- C. The Consultant and its subcontractors shall forfeit as a penalty to the City \$25 for each worker employed in the performance of the services described in Exhibit A for each calendar day during which the worker is required or permitted to work more than 8 hours in any one calendar day, or more than 40 hours in any one calendar week, in violation of the provisions of California Labor Code Section 1810 and following.

#### WAGES:

- A. In accordance with California Labor Code Section 1773.2, the City has determined the general prevailing wages in the locality in which the services described in Exhibit A are to be performed for each craft or type of work needed to be as published by the State of California Department of Industrial Relations, Division of Labor Statistics and Research, a copy of which is on file in the City Public Works Office and shall be made available on request. The Consultant and subcontractors engaged in the performance of the services described in Exhibit A shall pay no less than these rates to all persons engaged in performance of the services described in Exhibit A.
- B. In accordance with California Labor Code Section 1775, the Consultant and any subcontractors engaged in performance of the services described in Exhibit A shall comply with California Labor Code Section 1775, which establishes a penalty for each worker engaged in the performance of the services described in Exhibit A that the Consultant or any subcontractor pays less than the specified prevailing wage. The amount of such penalty shall be determined by the Labor Commissioner and shall be based on consideration of the mistake, inadvertence, or neglect of the Consultant or subcontractor in failing to pay the correct rate of prevailing wages, or the previous record of the Consultant or subcontractor in meeting applicable prevailing wage obligations, or the willful failure by the Consultant or subcontractor to pay the correct rates of

prevailing wages. A mistake, inadvertence, or neglect in failing to pay the correct rate of prevailing wages is not excusable if the Consultant or subcontractor had knowledge of their obligations under the California Labor Code. The Consultant or subcontractor shall pay the difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate. If a subcontractor worker engaged in performance of the services described in Exhibit A is not paid the general prevailing per diem wages by the subcontractor, the Consultant is not liable for any penalties therefore unless the Consultant had knowledge of that failure or unless the Consultant fails to comply with all of the following requirements:

1. The contract executed between the Consultant and the subcontractor for the performance of part of the services described in Exhibit A shall include a copy of the provisions of California Labor Code Sections 1771, 1775, 1776, 1777.5, 1813, and 1815.
  2. The Consultant shall monitor payment of the specified general prevailing rate of per diem wages by the subcontractor by periodic review of the subcontractor's certified payroll records.
  3. Upon becoming aware of a subcontractor's failure to pay the specified prevailing rate of wages, the Consultant shall diligently take corrective action to halt or rectify the failure, including, but not limited to, retaining sufficient funds due the subcontractor for performance of the services described in Exhibit A.
  4. Prior to making final payment to the subcontractor, the Consultant shall obtain an affidavit signed under penalty of perjury from the subcontractor that the subcontractor has paid the specified general prevailing rate of per diem wages for employees engaged in the performance of the services described in Exhibit A and any amounts due pursuant to California Labor Code Section 1813.
- C. In accordance with California Labor Code Section 1776, the Consultant and each subcontractor engaged in performance of the services described in Exhibit A shall keep accurate payroll records showing the name, address, social security number, work, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed in performance of the services described in Exhibit A. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:
1. The information contained in the payroll record is true and correct.
  2. The employer has complied with the requirements of California Labor Code Sections 1771, 1811, and 1815 for any work performed by the employer's employees on the public works project.

The payroll records required pursuant to California Labor Code Section 1776 shall be certified and shall be submitted directly to the Labor Commission, and available for inspection by the

Owner and its authorized representatives, the Division of Labor Standards Enforcement, the Division of Apprenticeship Standards of the Department of Industrial Relations and shall otherwise be available for inspection in accordance with California Labor Code Section 1776.

- D. In accordance with California Labor Code Section 1777.5, the Consultant, on behalf of the Consultant and any subcontractors engaged in performance of the services described in Exhibit A, shall be responsible for ensuring compliance with California Labor Code Section 1777.5 governing employment and payment of apprentices on public works contracts.
  
- E. In case it becomes necessary for the Consultant or any subcontractor engaged in performance of the services described in Exhibit A to employ for the services described in Exhibit A any person in a trade or occupation (except executive, supervisory, administrative, clerical, or other non manual workers as such) for which no minimum wage rate has been determined by the Director of the Department of Industrial Relations, the Consultant or subcontractor shall pay the minimum rate of wages specified therein for the classification which most nearly corresponds to services described in Exhibit A to be performed by that person. The minimum rate thus furnished shall be applicable as a minimum for such trade or occupation from the time of the initial employment of the person affected and during the continuance of such employment.

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