

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Public Works

BOARD AGENDA # *C-1

Urgent Routine

AGENDA DATE November 03, 2009

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Award Contract to Granite Construction Company, of Watsonville, California, for the Construction of the Empire Improvement Project - Phase 1A; Approval to Award Construction Management and Inspection Services to Nolte Associates, Inc., of Manteca, California; and Related Items Associated with the Award

STAFF RECOMMENDATIONS:

1. Award contract to Granite Construction Company, of Watsonville, California, for the construction of the Empire Improvement Project - Phase 1A, in the amount of \$2,091,987.
2. Award contract to Nolte Associates, Inc., of Manteca, California, for construction management and inspection services associated with the Empire Improvement Project - Phase 1A, in the amount of \$199,476.
3. Authorize the Director of Public Works to execute a contract with Granite Construction Company, in the amount of \$2,091,987 and to sign necessary documents.

Continued on Page 2

FISCAL IMPACT:

Costs associated to deliver this project are estimated to be in the amount of \$3 million. The breakdown is as follow: \$2,091,987 (construction contract) + \$209,200 (10% construction contingency for change orders) + \$199,476 (construction management and inspection services) + \$73,200 (Public Works project management administration) + \$31,000 (public outreach \$15,000, testing and quality control \$16,000) + \$395,137 (project budget contingency reserves). The project will be funded through a combination of Community Development Block Grant (approximately \$1.9 million) and the Redevelopment Agency (\$1.1 million) funds. These amounts are available for this project.

BOARD ACTION AS FOLLOWS:

No. 2009-752

On motion of Supervisor Monteith, Seconded by Supervisor Grover

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Grover, Monteith, and Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval to Award Contract to Granite Construction Company, of Watsonville, California, for the Construction of the Empire Improvement Project - Phase 1A; Approval to Award Construction Management and Inspection Services to Nolte Associates, Inc., of Manteca, California; and Related Items Associated with the Award

4. Authorize the Director of Public Works to execute a contract with Nolte Associates, Inc. in the amount of \$199,476 and to sign necessary documents.
5. Direct the Auditor-Controller to make the necessary budget adjustments per the financial transaction sheet.
6. Authorize the Director of Public Works to execute change orders in accordance with Public Contract Code, Section 20142.
7. Upon project completion, authorize the Director of Public Works to accept the completed improvements and perform all necessary closeout activities.
8. Authorize the Construction Manager to issue a Notice to Proceed, contingent upon receipt of proper insurance and bonds.

DISCUSSION:

A preliminary Master Plan has been developed to provide positive storm drainage for the entirety of the town of Empire. Due to funding constraints, the Planning and Community Development Department, in conjunction with the Department of Public Works has developed construction documents for a smaller area of the overall Master Plan. Phase 1A consists of installing curb, gutter, handicap returns, new street section, a positive storm drain collection system and a self-contained underground french-drain. Phase 1A encompasses the area generally bounded on the south by Highway 132 (Yosemite Ave.); on the west by E Street; on the north by 2nd Street; and, on the east by I Street. Due to challenges associated with utility relocation and other construction management considerations, Center Avenue was removed from the original project limits proposed for Phase 1A. This area will be incorporated into future phases of the Empire Improvement Project.

On July 21, 2009, the Board of Supervisors adopted the plans and specification for the Empire Improvement Project Phase 1A, and directed the staff to set the bid opening date and time.

On September 16, 2009, 3 sealed bids for construction services were received, publicly opened and read. A summary of the bids received follows:

<u>Contractor</u>	<u>Bid</u>
Granite Construction	\$2,091,987
Teichert Construction	\$2,093,019.20
George Reed, Inc.	\$2,219,889.70

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The bid opening and review was conducted by the Stanislaus County Public Works Department in consultation with the Stanislaus County Planning and Community Development Department/Redevelopment Agency staff. Based on the proposals received, Public Works is recommending the Board to award the contract for construction to the lowest responsive bidder, Granite Construction Company, Inc. of Watsonville, California, in the amount of \$2,091,987.

On October 5, 2009, 3 sealed proposals for construction management and inspection services were received, reviewed and graded by the Department of Public Works. A summary in order of selection is as follows:

<u>Consultants</u>	<u>Amount</u>
Nolte Associates, Inc.	\$199,476
Harris and Associates.	\$189,830
Iomlan Construction Services	\$259,040

Based on review of the proposals, Public Works is recommending awarding the contract for construction management and inspection services to the best qualified consultant, Nolte Associates, Inc. in the amount of \$199,476. The Department's recommendation is based on Nolte's proposal that includes appropriate staffing for the project of a licensed resident engineer, a full time field assistant resident engineer/inspector, a second field inspector, and a construction office administrator. Harris and Associates did not provide for the second field inspector, and therefore could not have provided the same level of coverage expected on a project of this nature and complexity. In addition, Harris' proposal did not contain expenditure costs for support services such as computers, travel, postage, etc. Nolte's proposal did contain \$10,000 for such expenses; making the Nolte proposal very competitive with Harris.

The contract costs associated with delivery of this project will be funded through a combination of Community Development Block Grant (CDBG) and Stanislaus County Redevelopment Agency funds. The Public Works Department will oversee administration of the awarded contracts. Project funding will be administered by the Planning and Community Development Department and Redevelopment Agency. An agreement detailing the administration of the project will be entered into between the Public Works Department, the Planning and Community Development Department, and the Redevelopment Agency prior to start of the project.

The Department of Public Works is currently working on the formation of County Service Area (CSA) 27 for Phase 1A, and ongoing costs associated with the maintenance and operation of the said improvements. The proposed boundaries for CSA 27 will include the revised project limits. The Department of Public Works will come back to the Board to report the results of the ballot procedure and related activities at a later date. The Public Hearing scheduled for November 24, 2009, is the next step in the formation of

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the CSA. During this hearing, landowners will have the opportunity to voice their position, either for or against, the formation of the CSA. The Clerk of the Board will present the results of the ballot procedure at the end of the Public Hearing for the Board to take proper action. In order to provide impacted property owners with the opportunity to ask questions regarding the proposed formation, County staff is coordinating several community informational presentations along with the Empire Municipal Advisory Council. In addition to sharing information on the proposed formation with the local public entities (Municipal Advisory Council, Sanitary District and School Board) in Empire during the month of November, County staff plans to host a community meeting to be available to share general information and respond to questions from impacted property owners and residents.

County staff has provided updates both on the Empire Improvement Project – Phase 1A and the formation of County Service Area 27 – Empire via the Empire Municipal Advisory Council. Such efforts will continue to keep the community well informed through the construction process and CSA formation proceedings.

POLICY ISSUES:

The Board should consider if the recommended actions are consistent with its priorities of providing a safe community, a healthy community and a well-planned infrastructure system.

STAFFING IMPACT:

There is no additional staffing impact associated with this item.

County of Stanislaus: Auditor-Controller Legal Budget Journal

Database
Set of Books

FMSDBPRD.CO.STANISLAUS.CA.US.PROD
County of Stanislaus

Balance Type		Budget
Category	* List - Text	Budget - Upload
Source	* List - Text	
Currency	* List - Text	USD
Budget Name	List - Text	LEGAL BUDGET
Batch Name	Text	
Journal Name	Text	
Journal Description	Text	
Journal Reference	Text	
Organization	List - Text	Stanislaus Budget Org

Upl	Fund	Org	Acc't	GL Proj	Loc	Misc	Other	Debit		Credit		Period	Line Description
								incr appropriations decr est revenue (format: number + general)	decr appropriations incr est revenue	Upper case MM-YY List - Text	TEXT		
	1783	0025410	28800							1,900,000.00			CDBG-Federal-Other
	1783	0025410	63280					1900000					CDBG-Contracts
	2061	0025790	63280					1026800					RDA-Contracts
	2061	0025790	73570					73200					RDA-Govt Fd. Public Works

Totals:	3000000	1900000
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Explanation: Increase estimated revenues and appropriations for award of contract for the Empire Improvement Project-Phase 1A. There is no increase to estimated revenues for the Redevelopment Agency, fund balance will be used.

Requesting Department	CEO	Data Entry	Auditors Office Only
Signature 	Signature 	Keyed by	Prepared By
10-21-09 Date	10/21/09 Date	Date	10/26/09 Approved By Date

**COUNTY OF STANISLAUS
DEPARTMENT OF PUBLIC WORKS**

AGREEMENT

THIS AGREEMENT, dated this **3** day of **November**, [2009], by and between **Granite Construction Company** whose place of business is located at **585 W. Beach Street, Watsonville, CA 95076** ("Contractor"), and the COUNTY OF STANISLAUS ("County"), acting under and by virtue of the authority vested in the County by the laws of the State of California.

WHEREAS, County, by its Resolution No. _____ adopted on the **3** day of **November, 2009** awarded to Contractor the following Contract:

CONTRACT NUMBER 2009-8

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, Contractor and County agree as follows:

Article 1. Work

- 1.1 Contractor shall complete all Work specified in the Contract Documents, in accordance with the Specifications, Drawings, and all other terms and conditions of the Contract Documents.

Article 2. Architect/Engineer and Project Manager

- 2.1 **Engineering Services** designed the Project and furnished the Plans and Specifications. **Engineering Services** shall have the rights assigned to Architect/Engineer in the Contract Documents.
- 2.2 County has designated Charles Vasquez as its Project Manager to act as County's Representative in all matters relating to the Contract Documents.
- 2.3 The County may assign all or part of the Project Manager's rights, responsibilities and duties to a Construction Manager.

Article 3. Contract Time and Liquidated Damages

3.1 Contract Time

Contractor shall commence Work on the date established in the Notice to Proceed. County reserves the right to modify or alter the Commencement Date of the Work.

Contractor shall achieve Final Completion of the entire Work and be ready for Final Payment in accordance with Contract Closeout 140 Working Days from the date when the Contract Time commences to run as provided in General Conditions.

3.2 Liquidated Damages

County and Contractor recognize that time is of the essence of this Agreement and that County will suffer financial loss in the form of Contract administration expenses (such as Project management and consultant expenses), if all or any part of the Work is not completed within the times specified above, plus any extensions thereof allowed in accordance with the Contract Documents. Contractor and County agree that because of the nature of the Project, it would be impractical or extremely difficult to fix the amount of actual damages incurred by County because of a delay in completion of all or any part of the Work. Accordingly, County and Contractor agree that as liquidated damages for delay Contractor shall pay County:

Twenty-five hundred dollars (\$2,500.00) for each Calendar Day that expires after the time specified herein for Contractor to achieve Final Completion of the entire Work, until achieved.

Liquidated damages shall apply cumulatively and except as provided below, shall be presumed to be the damages suffered by County resulting from delay in completion of the Work.

- 3.3 Liquidated damages for delay shall only cover administrative, overhead, interest on bonds, and general loss of public use damages suffered by County as a result of delay. Liquidated damages shall not cover the cost of completion of the Work, damages resulting from Defective Work, lost revenues or costs of substitute facilities, or damages suffered by others who then seek to recover their damages from County (for example, delay claims of other contractors, subcontractors, tenants, or other third-parties), and defense costs thereof.

Article 4. Contract Sum

- 4.1 County shall pay Contractor the Contract Sum for completion of Work in accordance with Contract Documents as set forth in Contractor's Bid.

Article 5. Contractor's Representations

In order to induce County to enter into this Agreement, Contractor makes the following representations and warranties:

- 5.1 Contractor has visited the Site and has examined thoroughly and understood the nature and extent of the Contract Documents, Work, Site, locality, actual conditions, as-built conditions, and all local conditions, and federal, state and local laws and regulations that in any manner may affect cost, progress, performance or furnishing of Work or which

relate to any aspect of the means, methods, techniques, sequences or procedures of construction to be employed by Contractor and safety precautions and programs incident thereto.

- 5.2 Contractor has examined thoroughly and understood all reports of exploration and tests of subsurface conditions, as-built drawings, drawings, products specifications or reports, available for Bidding purposes, of physical conditions, including Underground Facilities, which have been made available for Bidders or which may appear in the Drawings. Contractor accepts the determination set forth in these Documents of the limited extent of the information contained in such materials upon which Contractor may be entitled to rely. Contractor agrees that except for the information so identified, Contractor does not and shall not rely on any other information contained in such reports and drawings.
- 5.3 Contractor has conducted or obtained and has understood all such examinations, investigations, explorations, tests, reports and studies (in addition to or to supplement those referred to in Section 5.2 of this Document that pertain to the subsurface conditions, as-built conditions, Underground Facilities and all other physical conditions at or contiguous to the Site or otherwise that may affect the cost, progress, performance or furnishing of Work, as Contractor considers necessary for the performance or furnishing of Work at the Contract Sum, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of General Conditions; and no additional examinations, investigations, explorations, tests, reports, studies or similar information or data are or will be required by Contractor for such purposes.
- 5.4 Contractor has correlated its knowledge and the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.

Article 6. Contract Documents

- 6.1 Contract Documents consist of the following documents, including all changes, Addenda, and Modifications thereto:

Notice of Award
Agreement
Notice to Proceed
Special Provisions
Construction Performance Bond
Construction Labor and Material Payment Bond
General Conditions
Addenda
Construction Details
Drawings
Encroachment Permit **[If applicable]**

- 6.2 There are no Contract Documents other than those listed in this Document, Article 6. The Contract Documents may only be amended, modified or supplemented as provided in General Conditions.

Article 7. Indemnity

- 7.1 County and each of its officers, employees, consultants and agents including, but not limited to the Board, Architect/Engineer and each County Representative, shall not be liable or accountable in any manner for loss or damage that may happen to any part of the Work; loss or damage to materials or other things used or employed in performing the Work; injury, sickness, disease, or death of any person; or damage to property resulting from any cause whatsoever except their sole negligence, willful misconduct or active negligence, attributable to performance or character of the Work, and Contractor releases all of the foregoing persons and entities from any and all such claims.
- 7.2 To the furthest extent permitted by law (including without limitation California Civil Code Section 2782), Contractor shall assume defense of, and indemnify and hold harmless, County and each of its officers, employees, consultants and agents, including but not limited to the Board, Architect/Engineer and each County representative, from claims, suits, actions, losses and liability of every kind, nature and description, including but not limited to claims and fines of regulatory agencies and attorney's fees and consultant's fees, directly or indirectly arising out of, connected with or resulting from performance of the Work, failure to perform the Work, or condition of the Work which is caused in whole or part by any act or omission of Contractor, Subcontractors, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether it is caused in part by the negligence of County or by any person or entity required to be indemnified hereunder.
- 7.3 With respect to third-party claims against Contractor, Contractor waives any and all rights to any type of express or implied indemnity against County and each of its officers, employees, consultants and agents including, but not limited to County, the Board, Architect/Engineer and each County representative.
- 7.4 Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Contractor, its Subcontractors of any tier, or the officers or agents of any of them.
- 7.5 To the furthest extent permitted by law (including, without limitation, Civil Code Section 2782), the indemnities, releases of liability and limitations of liability, claims procedures, and limitations of remedy expressed throughout the Contract Documents shall apply even in the event of breach of contract, negligence (active or passive), fault or strict liability of the party(is) indemnified, released, or limited in liability, and shall survive the termination, rescission, breach, abandonment, or completion of the Work or the terms of the Contract Documents. If Contractor fails to perform any of these defense or indemnity obligations, County may in its discretion back charge Contractor for County's costs and damages resulting therefrom and withhold such sums from progress payments or other contract moneys which may become due.

- 7.6 The indemnities in the Contract Documents shall not apply to any indemnified party to the extent of its sole negligence or willful misconduct; nor shall they apply to County or other indemnified party to the extent of its active negligence.

Article 8. Miscellaneous

- 8.1 Terms and abbreviations used in this Agreement are defined in Special Provisions, Section 1: DEFINITIONS AND TERMS and will have the meaning indicated therein.
- 8.2 It is understood and agreed that in no instance are the persons signing this Agreement for or on behalf of County or acting as an employee, agent, or representative of County, liable on this Agreement or any of the Contract Documents, or upon any warranty of authority, or otherwise, and it is further understood and agreed that liability of the County is limited and confined to such liability as authorized or imposed by the Contract Documents or applicable law.
- 8.3 Contractor shall not assign any portion of the Contract Documents, and may subcontract portions of the Contract Documents only in compliance with the Subcontractor Listing Law, California Public Contract Code §4100 *et seq.*
- 8.4 The Contract Sum includes all allowances (if any).
- 8.5 In entering into a public works contract or a subcontract to supply goods, services or materials pursuant to a public works contract, Contractor or Subcontractor offers and agrees to assign to the awarding body all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. §15) or under the Cartwright Act (Chapter 2 (commencing with §16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time County tenders final payment to Contractor, without further acknowledgment by the parties.
- 8.6 Copies of the general prevailing rates of per diem wages for each craft, classification, or type of worker needed to execute the Contract, as determined by Director of the State of California Department of Industrial Relations, are deemed included in the Contract Documents and on file at County's Office, and shall be made available to any interested party on request. Pursuant to California Labor Code §1861, Contractor represents that it is aware of the provisions of Section 3700 of the 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 Contractor shall comply with such provisions before commencing the performance of the Work of the Contract Documents.
- 8.7 Should any part, term or provision of this Agreement or any of the Contract Documents, or any document required herein or therein to be executed or delivered, be declared invalid, void or unenforceable, all remaining parts, terms and provisions shall remain in full force and effect and shall in no way be invalidated, impaired or affected thereby. If

the provisions of any law causing such invalidity, illegality or unenforceability may be waived, they are hereby waived to the end that this Agreement and the Contract Documents may be deemed valid and binding agreements, enforceable in accordance with their terms to the greatest extent permitted by applicable law. In the event any provision not otherwise included in the Contract Documents is required to be included by any applicable law, that provision is deemed included herein by this reference (or, if such provision is required to be included in any particular portion of the Contract Documents, that provision is deemed included in that portion).

8.8 This Agreement and the Contract Documents shall be deemed to have been entered into in the County of Stanislaus, State of California, and governed in all respects by California law (excluding choice of law rules). The exclusive venue for all disputes or litigation hereunder shall be in Stanislaus County Superior Court. Contractor accepts the Claims Procedure in General Conditions, Article GC-9, WORK DISPUTES, Section 9-2, Procedure, as a claims procedure by agreement under the California Government Code, Title 1, Division 3.6, Part 3, Chapter 5.

8-9 Notices: Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

If to County:
Stanislaus County Public Works
Attn: Chris Brady, P.E.
1716 Morgan Road
Modesto, CA 95358

If to Contractor:
Granite Construction Company
Attn: Stephen Bridge
585 W. Beach Street
Watsonville, CA 95077

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

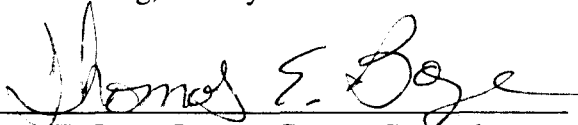
COUNTY OF STANISLAUS

CONTRACTOR: Granite Construction Company

By: _____
Matthew Machado, Director of Public Works

By: _____
Its: _____
Title (If Corporation: Chairman, President or Vice President)

APPROVED AS TO FORM
John P. Doering, County Counsel

By: 
Thomas E. Boze, Deputy County Counsel

By: _____
Its: _____
Title (If Corporation: Secretary, Assistant Secretary, Chief Financial Officer or Assistant Treasurer)

COUNTY RESOLUTION NO. _____

END OF AGREEMENT

**STANISLAUS COUNTY
PROFESSIONAL DESIGN SERVICES AGREEMENT**

This Agreement is made and entered into by and between the County of Stanislaus, a political subdivision of the State of California, hereinafter referred to as "County" and Nolte Associates, Inc., hereinafter referred to as "Consultant".

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1.0 PROFESSIONAL SERVICES TO BE PROVIDED BY CONSULTANT

1.1. Scope of Services: Consultant shall provide the professional services described in the County's Request for Proposal ("RFP") attached hereto as Exhibit "A" and incorporated herein by reference and Consultant's Response to County's RFP (the "Response"). A copy of said Response is attached hereto as Exhibit "B" and incorporated herein by this reference.

1.2. Professional Practices: All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also represents that it is familiar with all laws that may affect its performance of this Agreement and shall advise County of any changes in any laws that may affect Consultant's performance of this Agreement.

1.3. Representations: Consultant represents that it has reviewed the RFP and that in its professional judgment the services to be performed under this Agreement can be performed within the maximum fee set forth herein below and within the time specified in the Project Schedule attached hereto. Consultant represents that it is qualified to perform the professional services required by this Agreement and possesses the necessary licenses and permits required to perform said services.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement.

1.5. Non-Discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, age, physical handicap, medical condition, marital status, sexual gender or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code. Violation of this provision may result in the imposition of penalties referred to in Labor Code, Section 1735.

1.6. Non-Exclusive Agreement. Consultant acknowledges that County may enter into

agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.7. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of County. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

2.0 COMPENSATION AND BILLING

2.1. Compensation. Consultant shall be paid in accordance with the fee schedule set forth in Exhibit "C", attached hereto and made a part of this Agreement (the "Fee Schedule"). Consultant's compensation shall in no case exceed One-Hundred-Ninety-Nine Thousand Four-Hundred-Seventy-Six Dollars (\$199,476.00).

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Response unless the County or the Project Manager for this Project, prior to Consultant performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable.

2.3. Method of Billing. Consultant may submit invoices to County's Project Manager for approval on a progress basis, but no more often than once each calendar month. Said invoice shall be based on the total of all Consultants' services that have been completed to County's sole satisfaction. County shall pay Consultant's invoice within forty-five (45) days from the date County receives said invoice. Each invoice shall describe in detail, the services performed and the associated percentage of tasks completed. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to County or its Project Manager for inspection and/or audit at mutually convenient times for a period of three (3) years from the termination of this Agreement.

3.0 TIME OF PERFORMANCE

3.1. Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall commence within five (5) days after County delivers its Notice to Proceed. Said services shall be performed in strict compliance with the Project Schedule approved by County as set forth in Exhibit "D", attached hereto and incorporated herein by this reference. The Project Schedule may be amended by mutual agreement of the parties. Failure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination of this Agreement.

3.2. Excusable Delays. Neither party shall be responsible for delays nor lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party.

4.0 TERM OF CONTRACT AND TERMINATION

4.1. Term. This Agreement shall commence upon approval by the County's Board of Supervisors and continue until the work required herein is completed, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

4.2. Notice of Termination. The County reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing written notice to Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the County.

4.3. Compensation. In the event of termination, County shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of County's written notice of termination. Compensation for work in progress shall be prorated as to the percentage of work completed as of the effective date of termination in accordance with the fees set forth in Exhibit "C". In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to the County or in the possession of the Consultant.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to the County within ten (10) days of delivery of termination notice to Consultant, at no cost to County. Any use of uncompleted documents without specific written authorization from Consultant shall be at County's sole risk and without liability or legal expense to Consultant.

5.0 INSURANCE REQUIREMENTS

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain and maintain during the life of this Agreement all of the following insurance coverages:

- (a) Comprehensive general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury with a policy limit of not less than Two Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate. If Commercial General Liability Insurance or other form with a general aggregate limit is

used, either the general aggregate limit shall apply separately to any act or omission by Consultant under this Agreement or the general aggregate limit shall be twice the required occurrence limit.

(b) Automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate.

(c) Workers' compensation insurance as required by the State of California.

(d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than Two Million Dollars (\$2,000,000.00), per claim, in the aggregate, covering the negligent acts, errors, or omissions of Consultant in connection with the performance of Consultant's services. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

5.2. Endorsements. The Consultant shall obtain a specific endorsement to all required insurance policies, except Workers' Compensation insurance and Professional Liability insurance, naming the County and its officers, officials and employees as additional insureds regarding:

(a) Liability arising from or in connection with the performance or omission to perform any term or condition of this Agreement by or on behalf of the Consultant, including the insured's general supervision of its subcontractors;

(b) Services, products and completed operations of the Consultant;

(c) Premises owned, occupied or used by the Consultant; and

(d) Automobiles owned, leased, hired or borrowed by the Consultant.

(e) For Workers' Compensation insurance, the insurance carrier shall agree to waive all rights of subrogation against the County, its officers, officials and employees for losses arising from the performance of or the omission to perform any term or condition of this Agreement by the Consultant.

5.3. Deductibles: Any deductibles, self-insured retentions or named insureds must be declared in writing and approved by County. At the option of the County, either: (a) the insurer shall reduce or eliminate such deductibles, self-insured retentions or named insureds, or (b) the Consultant shall provide a bond, cash, letter of credit, guaranty or other security satisfactory to the County guaranteeing payment of the self-insured retention or deductible and payment of any and all costs, losses, related investigations, claim administration and defense expenses. The County, in its sole discretion, may waive the requirement to reduce or eliminate deductibles or self-insured retentions, in which case, the Consultant agrees that it will be responsible for and pay any self-insured retention or deductible and will pay any and all costs, losses, related investigations, claim administration and defense expenses related to or arising out of the Consultant's defense and indemnification obligations as set forth in this Agreement.

5.4. Certificates of Insurance: At least ten (10) days prior to the date the Consultant begins performance of its obligations under this Agreement, Consultant shall furnish County with certificates of insurance, and with original endorsements, showing coverage required by this Agreement, including, without limitation, those that verify coverage for subcontractors of the Consultant. The certificates and endorsements for each insurance policy are to be signed by a

person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements shall be received and, in County's sole and absolute discretion, approved by County. County reserves the right to require complete copies of all required insurance policies and endorsements, at any time.

5.5. Non-limiting: Nothing in this Section or the insurance described herein shall be construed as limiting in any way, the indemnification provisions contained in this Agreement, or the liability of Consultant and Consultant's officers, employees, agents, representatives or subcontractors for payments of damages to persons or property.

5.6. Primary Insurance: The Consultant's insurance coverage shall be primary insurance regarding the County and County's officers, officials and employees. Any insurance or self-insurance maintained by the County or County's officers, officials and employees shall be excess of the Consultant's insurance and shall not contribute with Consultant's insurance. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the County or its officers, officials and employees. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5.7. Cancellation of Insurance: Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party except after thirty (30) days prior written notice has been given to County. The Consultant shall promptly notify, or cause the insurance carrier to promptly notify, the County of any change in the insurance policy or policies required under this Agreement, including, without limitation, any reduction in coverage or in limits of the required policy or policies.

5.8. California Admitted Insurer: Insurance shall be placed with California admitted insurers (licensed to do business in California) with a current rating by Best's Key Rating Guide of no less than A-:VII; provided, however, that if no California admitted insurance company provides the required insurance, it is acceptable to provide the required insurance through a United States domiciled carrier that meets the required Best's rating and that is listed on the current List of Eligible Surplus Line Insurers maintained by the California Department of Insurance.

5.9. Subcontractors: Consultant shall require that all of its subcontractors are subject to the insurance and indemnity requirements stated herein, or shall include all subcontractors as additional insureds under its insurance policies.

6.0 INDEMNIFICATION

6.1. Indemnification: To the fullest extent allowed by law, Consultant shall defend, indemnify, and hold harmless the County and its officers, agents, employees and representatives from and against any and all claims, suits, actions, losses, injuries, damages or expenses of every name, kind, and description, including litigation costs and reasonable attorney's fees incurred, which are founded upon, arise out of, pertain to, or relate to, directly or indirectly, in whole or in part, the alleged negligence, recklessness, or willful misconduct of Consultant, its officers,

agents, employees, volunteers, representatives, contractors and subcontractors, excluding, however, such liabilities caused in part by the sole negligence, active negligence or willful misconduct of the County, its agents, employees, and representatives.

6.2. Duty to Defend: The duty of Consultant to indemnify and save harmless as set forth herein, shall include both the duty to indemnify and at Consultant's own cost and expense the duty to defend as set forth in Section 2778 of the California Civil Code. This duty to defend arises when such claim is made and shall be independent of any finding of the County's negligence. Consultant shall provide legal counsel reasonably acceptable to the County.

6.3. Duty to Cooperate: Each party shall notify the other party immediately in writing of any claim or damage related to activities performed under this Agreement. The parties shall cooperate with each other in the investigation and disposition of any claim arising out of the activities under this Agreement. Specifically, Consultant shall take all steps necessary to assist the County in the defense of any claim brought by a contractor hired to construct the Project regarding any errors, flaws, and/or omissions in the plans or specifications of the Project.

6.4. Patent Rights: Consultant represents that professional services provided by Consultant pursuant to this Agreement does not infringe on any other copyrighted work. Consultant shall defend, indemnify and hold harmless the County from all loss, cost, damage, expense, liability or claims, including attorneys' fees, court costs, litigation expenses and expert consultant or witness fees, that may at any time arise for any infringement of the patent rights, copyright, trade secret, trade name, trademark, service mark or any other proprietary right of any person or persons in consequence of the use by the County of any articles or services supplied under this agreement.

7.0 GENERAL PROVISIONS

7.1. Entire Agreement: This Agreement constitutes the entire Agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

7.2. Representatives. The Director of the Stanislaus County Department of Public Works, or his designee, shall be the representative of County for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of the County, called for by this Agreement, except as otherwise expressly provided in this Agreement. Consultant shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

7.3. Project Managers. County shall designate a Project Manager to work directly with Consultant in the performance of this Agreement. Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with County during the term of this Agreement. Consultant or its Project Manager shall attend and assist in all coordination meetings

called by County.

7.4. Designated Personnel: A material covenant of this agreement is that the Consultant shall assign the individuals designated below to perform the functions designated so long as they continue in the employ of the Consultant. The designated individuals shall, so long as their performance continues to be acceptable to County, remain in charge of the services for the Project from beginning through completion of services.

- a. Project Manager: Dan Shultes, P.E; and
- b. Lead/Manager: _____N/A_____

7.5. Removal of Personnel or Sub-Consultants: If the County, in its sole discretion at any time during the term of this agreement, desires the removal of any person or sub-consultant assigned by Consultant to perform services, then the Consultant shall remove such person or consultant immediately upon receiving notice from the County.

7.6. Notices: Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

If to County:

Stanislaus County
Department of Public Works
Attn: Charles T. Vasquez
Project Manager
1716 Morgan Road
Modesto, California 95358
(209) 525-4144
Fax: (209) 525-4140

If to Consultant:

Nolte Associates, Inc.
Dan Shultes, P.E.
Project Manager
2495 Natomas Park Drive, Fourth Floor
Sacramento, California 95388-2935
(916) 641-9100
Fax: (916) 641-9222

7.7. Attorneys' Fees: In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

7.8. Governing Law: This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Stanislaus County, California.

7.9. Assignment: Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without County's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of County's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

7.10. Independent Contractor: Consultant is and shall be acting at all times as an independent contractor and not as an employee of County. Consultant shall secure, at his expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder.

7.11. Ownership of Documents: Any interest, including copyright interests, of Consultant or its contractors or subconsultants in studies, reports, memoranda, computational sheets, drawings, plans or any other documents, including electronic data, prepared in connection with the Services, shall be the property of County. To the extent permitted by law, work product produced under this Agreement shall be deemed works for hire and all copyrights in such works shall be the property of the County. In the event that it is ever determined that any works created by Consultant or its subconsultants under this Agreement are not works for hire, Consultant hereby assigns to County all copyrights to such works. With the County's prior written approval, Consultant may retain and use copies of such works for reference and as documentation of experience and capabilities.

7.12. Reuse of Design Documents: Should the County desire to reuse the documents specified above and not use the services of the Consultant, then the County agrees to require the new consultant to assume any and all obligations for the reuse of the documents, and the County releases Consultant and its subconsultants from all liability associated with the reuse of such documents.

7.13. Public Records Act Disclosure: Consultant has been advised and is aware that all reports, documents, information and data including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subcontractors, and provided to County may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 6250 et. seq.). Exceptions to public disclosure may be those documents or information that qualifies as trade secrets, as that term is defined in the California Government Code Section 6254.7, and of which Consultant informs County of such trade secret. The County will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The County shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

7.14. Responsibility for Errors: Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the County's representative, regarding any services rendered under this

Agreement at no additional cost to County. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to County, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of County and to participate in any meeting required with regard to the correction.

7.15. Order of Precedence: In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of the RFP or the Response, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over both the Response and the RFP and the Response shall govern over the RFP.

7.16. Costs: Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

7.17. No Third Party Beneficiary Rights: This Agreement is entered into for the sole benefit of County and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

7.18. Construction: The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

7.19. Amendments: Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

7.20. Waiver: The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

7.21. Severability: If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party is materially impaired, which determination as made by the presiding court or arbitrator of competent

jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

7.22. Counterparts: This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

7.23. Corporate Authority: The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so, the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers:

COUNTY OF STANISLAUS

DESIGN PROFESSIONAL

By: _____
MATTHEW MACHADO, Director
Department of Public Works

By: _____
Steve Hiatt, P.E.
Corporate Title: Vice President

APPROVED AS TO FORM:

John P. Doering
County Counsel

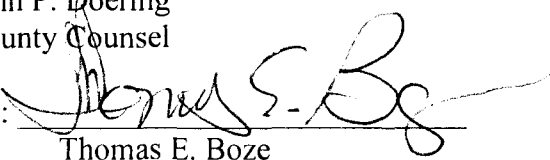
By: 
Thomas E. Boze
Deputy County Counsel

EXHIBIT A

COUNTY'S REQUEST FOR PROPOSAL



DEPARTMENT OF PUBLIC WORKS

Matt Machado, PE
Director

Laurie Barton, PE
Deputy Director, Engineering/Operations

Diane Haugh
Assistant Director, Business/Finance

Engineering & Operations Division
1716 Morgan Road, Modesto, CA 95358
Phone: 209-525-4130; Fax: 209-525-4140

**COUNTY OF STANISLAUS
REDEVELOPMENT AGENCY
EMPIRE IMPROVEMENT PROJECT PHASE 1 A**

**REQUEST FOR PROPOSALS FOR
CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES**

1. Project Description

The Stanislaus County Redevelopment Agency (SCRA) is soliciting proposals to provide professional construction management, inspection and quality assurance services for the Empire Infrastructure Improvements Project. The project is within the community of Empire, located in the central portion of Stanislaus County. The project encompasses approximately 38 acres and is generally bounded by Highway 132 to the south, Second Street to the north, I Street to the east, and E Street to the west. The construction includes the installation of curb, gutter, handicap curb returns, new street section, a storm drain collection system and related facilities.

It will be the responsibility of the Stanislaus County Department of Public Works, to oversee the Consultant's work effort on each order of work assigned. Special services not immediately available within the Consultant's firm should be subcontracted out as appropriate by the Consultant.

This project is scheduled to start construction in November 2009.

The project will require a licensed civil engineer in responsible charge of the inspection work to act in the capacity of a resident engineer (RE). Please note that this does not mandate that the RE is on-site full-time and may direct the work through inspectors. The project will require extensive coordination of construction activities to maintain access and minimize disruptions to affected residents and businesses.

2. Scope of Work

Elements of the scope of work for this project include, but are not limited to the following:

Preconstruction Services:

- Review project documents, including plans, specifications, and engineer's estimate, soils reports and other technical information.
- Establish project procedures, including administrative processes based on the specifics of the construction contract in accordance with Caltrans procedures.
- Kick-off Meeting with County staff and the project designers.
- Preconstruction meeting with County staff, Contractor and subcontractors.

Construction Management Services During Construction:

- Project coordination and correspondence.
- Progress meetings.
- Document control in accordance with Caltrans procedures.
- Schedule Management of the construction contract in Critical Path Method.
- Statement of Working Days that will include a record of weather conditions, controlling operations and status of remaining working days.
- Monthly project status reporting.
- Monthly payment review.
- Submittals management.
- Requests for Information management.
- Change Orders and Claims.
- Construction observation and inspection services, including daily diaries.
- Coordinate and schedule with the County material testing consultant, Neil O. Anderson and Associates, to comply with Quality Assurance Testing conforming to Chapter 8 of the State of California Construction Manual and Material Testing Manual for the following items, but not limited to: earthwork/trench backfill, aggregate base, asphalt concrete, Portland cement concrete.
- Labor Compliance services to include review of contractor and subcontractor certified payrolls in compliance with the Caltrans Labor Compliance program.
- Construction staking management of requests.
- Office space will be provided by the Construction Contractor as part of their contract.

Post Construction Services:

- Perform final inspection, including preparation and management of a punch list.
 - Receive record drawings and review as-built drawings.
 - Prepare final payment request.
- A Public Outreach Program shall be closely coordinated with the County's consultant, Judith Buethe Public Relations (JBPR) and taken into consideration while preparing your proposal as a coordination effort only.

If you are interested in submitting a proposal for professional construction management and inspection services on this project, please deliver four signed copies of your proposal to the below address prior to **5:00 P.M. on Monday, October 04, 2009**. Your proposal will be evaluated at a minimum based upon the following criteria:

- Signed cover sheet of person with the authority to negotiate and contractually bind your firm statement.
- The body of the proposal shall not exceed twenty-five (25) pages, exclusive of any folders, cover or section dividers. Each page must be numbered.
- Proposed staffing for this project.
- Staff qualifications and current/projected workload.
- Proposed project schedule including all major milestones.
- List of services that you provide, including your approach to project delivery.
- Proposed fee proposals that breaks the project onto separate functional tasks and provides the associated fees that define the work to be done.

Enclosed please find:

1. Draft of the County's Agreement for Professional Design Services (agreement used for these type of services)

If the consultant has any proposed changes to the above-mentioned document, please clearly outline those changes within the text of their cover letter of the proposal.

Enclosed also for your use are electronic files of the following documents:

- Project Drawings, Specifications, Addendum

Please submit your proposal to:

**RFP EMPIRE IMPROVEMENT PROJECT PHASE 1A
CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES**

David Leamon, P.E.
Senior Civil Engineer
Stanislaus County, Department of Public Works
1716 Morgan Road
Modesto, CA 95358

We anticipate reviewing the proposals shortly after the closing date for receiving the proposals.

If you should have any questions regarding this item, please email Charles T. Vasquez at charles.vasquez@stancounty.com or fax (209) 525-4140.

Sincerely,

David Leamon, P.E.
Senior Civil Engineer

CV:cb

EXHIBIT B

CONSULTANT'S RESPONSE TO COUNTY'S REQUEST FOR PROPOSAL

Approach & Services

Nolte has extensive knowledge of and expertise with managing the construction of projects similar to your Empire Improvements Project. Our team has many years of experience working on roadway projects with Caltrans language and requirements. For example, Nolte is currently working on your Keyes Infrastructure Improvements project, which has many of the same qualities as those to be constructed with the Empire Improvements including roadway construction, traffic control, utility relocation, and important Public Outreach programs schedules.

Nolte's team is efficient! We will provide a part-time, licensed resident engineer and a full-time assistant resident engineer/inspector for the duration of the contract with additional inspection (if needed) during peak periods. Nolte will also provide administrative support. Our staff will coordinate with Judith Buethe Communications and Neil O. Anderson which will provide outreach and materials testing, respectively, under separate contracts with the County.

Nolte has reviewed and understands the scope of work described in the request for proposal. We have expanded upon that scope with additional detail based on our recent experience. The following sections address the scope of work that Nolte will provide on your Empire Improvements Project. Major task headings presented below are based upon those presented in the RFP.

Nolte understands that Task 1 will occur right away since the construction contractor, Granite Construction, has already been determined.

Based on our review and analysis of the project, construction is to be complete prior to June 1, 2010. Two additional weeks is anticipated to complete final paperwork after the construction completion on June 1. During this Task 2 Construction Period, Nolte's CM team will again function as an extension of County Staff. We will provide the full start-to-finish range of construction phase engineering services associated with both office administration and field services for construction of the Empire Improvements Project.

Task I - Preconstruction Services

Task I.1 - Review Project Documents

A thorough knowledge of the project prior to the first day of construction is among the most important responsibilities of a construction management team. With this in mind, Nolte has already begun a review of the Empire Improvements project. Team members have met with the County's project representatives and with Granite Construction's superintendant to discuss the project and begin to identify issues. During our preconstruction services, Nolte's assistant resident engineer/inspector will continue to review the PS&E documents including contract plans, specifications, permits, and utility or property agreements. This review will allow us to

quickly become knowledgeable of the project components. Our review will also look for ambiguities and conflicts including inconsistencies between parts of the plans, specifications, and estimates. Furthermore, the review will look for inclusion of key construction and contract administration specifications—such as contract payment requirements, calendar day durations, and expected contractor submittal review times—which will be important to managing the contractor.

Task 1.2 - Establish Project Procedures

In preparing to begin the construction of the project, Nolte staff will establish project procedures for the Empire Improvements project. This manual will detail the administrative process to be used and will be based on specifics of this contract as well as procedures set forth in various manuals from the County and Nolte. One of the many components of the project procedures is the establishment of our record keeping documentation, which will follow Caltrans procedures.

Task 1.3 - Kick-off Meeting

Nolte will attend a meeting with the County to discuss the design, schedule, and to coordinate responsibilities with the construction management team.

Task 1.4 - Preconstruction Conference

Nolte will hold a preconstruction conference with Granite Construction and their subcontractors before start of work to review the project and discuss coordination efforts. This meeting will be used to establish managerial and administrative procedures with the contractor to ensure efficient startup and execution of the project.

Task 2 - Construction Management Services during Construction

Task 2.1 - Project Coordination and Correspondence

Interaction with County Staff and Utilities

Team interaction with these agencies is a primary function of the assistant resident engineer/inspector. To assist the project team in serving this role, our key personnel will utilize Nolte provided laptop computers, which can be networked to the County's Project Manager, Nolte's Manteca office, and appropriate agencies via the internet. In order for the project to run smoothly, Nolte will serve as the main contact for the County, contractor, and other agencies.

Progress Meetings

Nolte will hold weekly progress meetings with the Granite Construction and their appropriate subcontractors to review construction progress. Monthly meetings to specifically discuss scheduling will also be held to identify work completed and plan of activities for the coming month. We will keep minutes of the meetings, assigning action items, responsibilities, and documenting project trends.

Document Control

When performing construction management activities, an area of importance that cannot be overemphasized is Document Control. Effective control of a construction project cannot be maintained without paperwork—to inform, to change, to expedite, and to provide a permanent record. Nolte will serve as the focal point responsible for the coordination of the required documents. All contract files will be maintained in accordance with Caltrans procedures.

Task 2.2 - Schedule Management, Progress Meetings, and Reports

Nolte will review both the construction baseline schedule and schedule updates. Analysis of the schedules will look for flaws and areas of special concern (including impacts of change orders). We will check the Logic Network and the activity input durations and precedents for reasonableness of the sequence and the duration of the activities.

Statement of Calendar Days

Nolte will prepare a record of weather conditions, controlling operation(s), and the status of calendar days remaining on a weekly basis. A copy will be sent to the contractor.

Project Reporting

A monthly status report will be prepared and submitted to the County project manager. The report will include:

- Progress to date
- Status of submittals and change orders, including our change order log
- Summary statement of calendar days
- Progress pay estimates

Task 2.3 - Monthly Payment Review

We will review applications for payment with Granite Construction and negotiate any differences between the amount requested and the engineer's estimate for work completed. Payments will be processed through the County Project Manager. The estimate will include a systematic determination of the quantities of work completed and their values.

Task 2.4 - Submittals Management

Contract provisions identify specific items to be provided by the contractor which are subject to review. Nolte will establish a the list of submittals, including materials to be installed, and shop fabrication plans. When we receive submittals from the contractor, they will be stamped and logged in by date of receipt. Nolte will then review these submittals or forward them to the County's design engineer as appropriate. Nolte will coordinate the reviews to ensure consistent and complete reviews.

Task 2.5 - Requests for Information

Nolte will receive and log in contractor Requests for Information (RFI) - requested design clarification requests, during construction. We will work closely with the County design engineer to respond to contract RFIs. The status of RFIs will be accounted for in our comprehensive RFI log. All clarifications are to be presented in writing by the contractor to Nolte. If necessary, we will conduct meetings with County staff and the contractor to discuss and resolve requests for information.

Task 2.6 - Change Orders & Claims

Change Orders

Evaluation and negotiation of contract change orders (CCOs) are among the most important functions of the construction management team. A quick and accurate evaluation can help keep the project on schedule and avoid contractor claims. Prior to requesting County approval, all contract change orders will be evaluated and prepared by Nolte's resident engineer/inspector.

Claims Management

Nolte will take the lead in the resolution of any contract claims for this project during the construction contract period. We will keep current logs of Notice of Potential Claims and will prepare documents and supporting evidence regarding claims. Information on each individual Notice of Potential Claim is kept separately in the project files. Documentation and arguments are also assembled into a report and submitted to the County for their review and use. We will be available to provide additional claims resolution support if further action is required. Claims resolution work, if any, is typically handled in the post construction services and will be performed as an extra work item because the amount of work cannot be determined ahead of time.

Task 2.7 - Construction Observation/Inspection Services

Several forms of documentation and correspondence will be used during this project. We will use records, such as still photographs (in electronic format), to document existing conditions, major features, and construction progress.

Daily diaries will be the core of project documentation. In addition to our forms and any forms required by the County, Nolte will keep diaries for each and every date that construction progress occurs.

Field Inspection

The assistant resident engineer/inspector will assist the contractor's responsible field personnel to produce an acceptable product by:

Reviewing in detail the contract requirements applicable to the prospective work

Discussing the contractor's work plans in detail with his responsible field people to highlight special contract requirements and to identify and avoid potential problems

Observing work preparations, verifying the suitability of these preparations for the work planned, and providing appropriate feedback to those involved

Identifying construction flaws as soon as possible and exploring possible remedies with those concerned to get an acceptable product

Observing the construction activity, commenting on progress, and preparing related reports

Through more extensive onsite observations of work in progress and field checks by the assistant resident engineer/inspector, Nolte Associates Inc. shall endeavor to provide further protection for the County of Stanislaus against defects and deficiencies in the work of the contractor; but, the furnishing of such services will not make Nolte Associates, Inc. responsible for or give Nolte Associates, Inc. control over construction means, methods, techniques, sequences or procedures or for safety precautions or programs, or responsibility for Contractor's failure to perform the work in accordance with the Contract Documents.

Task 2.8 - Quality Assurance Testing

Nolte personnel will coordinate with Neal O. Anderson, as contracted with the County as they provide material testing and quality control for the Empire Improvements project.

Task 2.9 - Labor Compliance

Nolte will receive and maintain a log of certified payrolls from the prime contractor and its sub-contractors. Inspector reports will be periodically spot-checked and compared with the certified payrolls and the hours worked by the contractor for accuracy. Periodic spot-check labor interviews with contractor employees will be performed by Nolte CM team. Hourly rates (including overtime) will be verified by using the State of California, Department of Industrial Relations prevailing wage rates.

Nolte will notify the prime contractor when discrepancies occur in the certified payrolls in relation to the hours worked or pay rates.

Task 2.10 - Construction Staking

Nolte understands that the contractor will provide all construction staking services.

Task 3 - Post Construction Services

Task 3.1 - Perform Final Inspection

Items to be corrected or furnished by the contractor before project acceptance will be put in the form of a punch list as the work nears completion. Nolte's assistant resident engineer/inspector will conduct a final inspection with representatives of the County, contractor, and appropriate agencies before acceptance of the project.

Task 3.2 - Receive Record Drawings

Deviations from the design drawings during construction will be noted as they occur on a set of 'As Built' drawings kept by the contractor. Nolte's assistant resident engineer/inspector will review the individual marked up 'As Built' plans as provided by the contractor and compile these drawings. These revisions will be documented on one marked up copy of the project plans.

Task 3.3 - Prepare Final Payment Request

After project acceptance, Nolte will prepare a proposed final estimate (PFE) to allow Granite Construction to make exceptions to the final amount of compensation. Prior to submitting the PFE, we will meet with the contractor to attempt to agree on final payment for all contract items and change orders. If the contractor still objects to the PFE, we will assist the County in negotiating final settlement with the contractor and process the final estimate.

Task 4 - Additional Tasks (as required)

Items that have not been identified in Tasks 1, 2, and 3 above will be considered as additional support required for the project. If requested by the County, Nolte could provide such services as an additional item with details to be determined at a later date.

EXHIBIT C

CONSULTANTS FEE SCHEDULE

Fee Proposal

The fees for Nolte's services are based on a construction duration of no more than 140 days with one extra month allowed for completion of final construction punchlist items and/or project completion paperwork. The 140-day construction period is based on an assumed construction Notice to Proceed date issued November 2, 2009 and completed prior to June 2010. Based on conversations with Granite Construction, it is anticipated that the contractor will slow down activities during the months of December and January, and accelerate work starting in February to meet the May 14, 2010 completion date.

Compensation for the construction observation and administration services will be on a time and materials basis. Rates for staff on the following fee spreadsheet are effective through the end of September 2010. The rates are adjusted annually in October of each year.

EXHIBIT D

PROJECT SCHEDULE

EMPIRE IMPROVEMENT PROJECT PHASE 1A - CONSTRUCTION MANAGEMENT
Stanislaus County Redevelopment Agency

DESCRIPTION	OVERSIGHT RESIDENT ENGINEER	RESIDENT ENGINEER/ INSPECTOR	ASSISTANT INSPECTOR	PROJECT ADMIN ASSISTANT	TOTAL HOURS
<i>Staff Members</i>	<i>Dan Schultes</i>	<i>Gordon Berg</i>	<i>Ryan Wilson</i>	<i>Jan Henriksen</i>	
1.1 Review Project Documents		8		6	14
1.2 Establish Project Procedures	2	4			6
1.3 Kick-Off Meeting		2			2
1.4 Preconstruction Meeting	2	4		4	10
Man Hour Total	4	18	0	10	32
Hourly Rate Charge	\$171.00	\$130.00	\$100.00	\$79.00	
Total Fees Task 1	\$684.00	\$2,340.00	\$0.00	\$790.00	\$3,814.00
2.1 Project Coordination and Correspondence					
<i>Interaction with County Staff, Designer, & Utilities</i>	8	80			88
<i>Document Control</i>		80	32	110	222
2.2 Schedule Management, Meetings, & Reports					
<i>CPM Schedule Review</i>		40			40
<i>Weekly Statement of Working Days</i>		20			20
<i>Progress Meetings</i>		42	8	42	92
<i>Project Reporting</i>		8		8	16
2.3 Monthly Payment Review		44	24	30	98
2.4 Submittals Management		44	12		56
2.5 Requests for Information (RFIs)		24			24
2.6 Change Orders and Claims					
<i>Change Orders</i>		56	16	20	92
<i>Claims Management</i>		16			16
2.7 Construction Observation/Inspection Services		500	180		680
2.8 Quality Assurance Testing		12	8		20
2.9 Labor Compliance				20	20
Man Hour Total	8	966	280	230	1484
Hourly Rate Charge	\$171.00	\$130.00	\$100.00	\$79.00	
Total Fees Task 2	\$1,368.00	\$125,580.00	\$28,000.00	\$18,170.00	\$173,118.00
3.1 Perform Final Inspection		20			20
3.2 Receive Record Drawings		30			30
3.3 Prepare Final Payment Request		30		16	46
Man Hour Total	0	80	0	16	96
Hourly Rate Charge	\$171.00	\$130.00	\$126.00	\$79.00	
Total Fees Task 3	\$0.00	\$10,400.00	\$0.00	\$1,264.00	\$11,664.00
Total Estimated Fee	\$2,052.00	\$138,320.00	\$28,000.00	\$20,224.00	\$188,596.00

TOTAL NOLTE CM PERSONNEL COSTS	\$188,596.00
VEHICLES (Leasing, maintenance, insurance, gas)	\$10,080
CELL PHONES, OFFICE SUPPLIES, AND MISC. EXPENDITURES	\$800
GRAND TOTAL	\$199,476.00

**STANISLAUS COUNTY PUBLIC WORKS
ENGINEERING DIVISION
1716 MORGAN ROAD
MODESTO, CA 95358**

BOARD OF SUPERVISORS

2009 DEC 11 A 11:31

TRANSMITTAL

Date: December 9, 2009
To: Suzi Seibert, Assistant Clerk of the Board
From: Linda Allsop, Morgan Road
209-525-4157
Re: Attachments for Item *C-1, November 03, 2009

Hi Suzi:

Enclosed are the following

- Agreement with Granite Construction Company.
- Submitted Bids
- Bid Results

Have a good day!

**COUNTY OF STANISLAUS
DEPARTMENT OF PUBLIC WORKS**

AGREEMENT

THIS AGREEMENT, dated this **3** day of **November**, [2009], by and between **Granite Construction Company** whose place of business is located at **585 W. Beach Street, Watsonville, CA 95076** ("Contractor"), and the COUNTY OF STANISLAUS ("County"), acting under and by virtue of the authority vested in the County by the laws of the State of California.

WHEREAS, County, by its Resolution No. 2009-752 adopted on the **3** day of **November, 2009** awarded to Contractor the following Contract:

CONTRACT NUMBER 2009-8

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, Contractor and County agree as follows:

Article 1. Work

- 1.1 Contractor shall complete all Work specified in the Contract Documents, in accordance with the Specifications, Drawings, and all other terms and conditions of the Contract Documents.

Article 2. Architect/Engineer and Project Manager

- 2.1 **Engineering Services** designed the Project and furnished the Plans and Specifications. **Engineering Services** shall have the rights assigned to Architect/Engineer in the Contract Documents.
- 2.2 County has designated Charles Vasquez as its Project Manager to act as County's Representative in all matters relating to the Contract Documents.
- 2.3 The County may assign all or part of the Project Manager's rights, responsibilities and duties to a Construction Manager.

Article 3. Contract Time and Liquidated Damages

3.1 Contract Time

Contractor shall commence Work on the date established in the Notice to Proceed. County reserves the right to modify or alter the Commencement Date of the Work.

Contractor shall achieve Final Completion of the entire Work and be ready for Final Payment in accordance with Contract Closeout 140 Working Days from the date when the Contract Time commences to run as provided in General Conditions.

3.2 Liquidated Damages

County and Contractor recognize that time is of the essence of this Agreement and that County will suffer financial loss in the form of Contract administration expenses (such as Project management and consultant expenses), if all or any part of the Work is not completed within the times specified above, plus any extensions thereof allowed in accordance with the Contract Documents. Contractor and County agree that because of the nature of the Project, it would be impractical or extremely difficult to fix the amount of actual damages incurred by County because of a delay in completion of all or any part of the Work. Accordingly, County and Contractor agree that as liquidated damages for delay Contractor shall pay County:

Twenty-five hundred dollars (\$2,500.00) for each Calendar Day that expires after the time specified herein for Contractor to achieve Final Completion of the entire Work, until achieved.

Liquidated damages shall apply cumulatively and except as provided below, shall be presumed to be the damages suffered by County resulting from delay in completion of the Work.

- 3.3 Liquidated damages for delay shall only cover administrative, overhead, interest on bonds, and general loss of public use damages suffered by County as a result of delay. Liquidated damages shall not cover the cost of completion of the Work, damages resulting from Defective Work, lost revenues or costs of substitute facilities, or damages suffered by others who then seek to recover their damages from County (for example, delay claims of other contractors, subcontractors, tenants, or other third-parties), and defense costs thereof.

Article 4. Contract Sum

- 4.1 County shall pay Contractor the Contract Sum for completion of Work in accordance with Contract Documents as set forth in Contractor's Bid.

Article 5. Contractor's Representations

In order to induce County to enter into this Agreement, Contractor makes the following representations and warranties:

- 5.1 Contractor has visited the Site and has examined thoroughly and understood the nature and extent of the Contract Documents, Work, Site, locality, actual conditions, as-built conditions, and all local conditions, and federal, state and local laws and regulations that in any manner may affect cost, progress, performance or furnishing of Work or which

relate to any aspect of the means, methods, techniques, sequences or procedures of construction to be employed by Contractor and safety precautions and programs incident thereto.

- 5.2 Contractor has examined thoroughly and understood all reports of exploration and tests of subsurface conditions, as-built drawings, drawings, products specifications or reports, available for Bidding purposes, of physical conditions, including Underground Facilities, which have been made available for Bidders or which may appear in the Drawings. Contractor accepts the determination set forth in these Documents of the limited extent of the information contained in such materials upon which Contractor may be entitled to rely. Contractor agrees that except for the information so identified, Contractor does not and shall not rely on any other information contained in such reports and drawings.
- 5.3 Contractor has conducted or obtained and has understood all such examinations, investigations, explorations, tests, reports and studies (in addition to or to supplement those referred to in Section 5.2 of this Document that pertain to the subsurface conditions, as-built conditions, Underground Facilities and all other physical conditions at or contiguous to the Site or otherwise that may affect the cost, progress, performance or furnishing of Work, as Contractor considers necessary for the performance or furnishing of Work at the Contract Sum, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of General Conditions; and no additional examinations, investigations, explorations, tests, reports, studies or similar information or data are or will be required by Contractor for such purposes.
- 5.4 Contractor has correlated its knowledge and the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.

Article 6. Contract Documents

- 6.1 Contract Documents consist of the following documents, including all changes, Addenda, and Modifications thereto:

Notice of Award
Agreement
Notice to Proceed
Special Provisions
Construction Performance Bond
Construction Labor and Material Payment Bond
General Conditions
Addenda
Construction Details
Drawings
Encroachment Permit **[If applicable]**

- 6.2 There are no Contract Documents other than those listed in this Document, Article 6. The Contract Documents may only be amended, modified or supplemented as provided in General Conditions.

Article 7. Indemnity

- 7.1 County and each of its officers, employees, consultants and agents including, but not limited to the Board, Architect/Engineer and each County Representative, shall not be liable or accountable in any manner for loss or damage that may happen to any part of the Work; loss or damage to materials or other things used or employed in performing the Work; injury, sickness, disease, or death of any person; or damage to property resulting from any cause whatsoever except their sole negligence, willful misconduct or active negligence, attributable to performance or character of the Work, and Contractor releases all of the foregoing persons and entities from any and all such claims.
- 7.2 To the furthest extent permitted by law (including without limitation California Civil Code Section 2782), Contractor shall assume defense of, and indemnify and hold harmless, County and each of its officers, employees, consultants and agents, including but not limited to the Board, Architect/Engineer and each County representative, from claims, suits, actions, losses and liability of every kind, nature and description, including but not limited to claims and fines of regulatory agencies and attorney's fees and consultant's fees, directly or indirectly arising out of, connected with or resulting from performance of the Work, failure to perform the Work, or condition of the Work which is caused in whole or part by any act or omission of Contractor, Subcontractors, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether it is caused in part by the negligence of County or by any person or entity required to be indemnified hereunder.
- 7.3 With respect to third-party claims against Contractor, Contractor waives any and all rights to any type of express or implied indemnity against County and each of its officers, employees, consultants and agents including, but not limited to County, the Board, Architect/Engineer and each County representative.
- 7.4 Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Contractor, its Subcontractors of any tier, or the officers or agents of any of them.
- 7.5 To the furthest extent permitted by law (including, without limitation, Civil Code Section 2782), the indemnities, releases of liability and limitations of liability, claims procedures, and limitations of remedy expressed throughout the Contract Documents shall apply even in the event of breach of contract, negligence (active or passive), fault or strict liability of the party(is) indemnified, released, or limited in liability, and shall survive the termination, rescission, breach, abandonment, or completion of the Work or the terms of the Contract Documents. If Contractor fails to perform any of these defense or indemnity obligations, County may in its discretion back charge Contractor for County's costs and damages resulting therefrom and withhold such sums from progress payments or other contract moneys which may become due.

- 7.6 The indemnities in the Contract Documents shall not apply to any indemnified party to the extent of its sole negligence or willful misconduct; nor shall they apply to County or other indemnified party to the extent of its active negligence.

Article 8. Miscellaneous

- 8.1 Terms and abbreviations used in this Agreement are defined in Special Provisions, Section 1: DEFINITIONS AND TERMS and will have the meaning indicated therein.
- 8.2 It is understood and agreed that in no instance are the persons signing this Agreement for or on behalf of County or acting as an employee, agent, or representative of County, liable on this Agreement or any of the Contract Documents, or upon any warranty of authority, or otherwise, and it is further understood and agreed that liability of the County is limited and confined to such liability as authorized or imposed by the Contract Documents or applicable law.
- 8.3 Contractor shall not assign any portion of the Contract Documents, and may subcontract portions of the Contract Documents only in compliance with the Subcontractor Listing Law, California Public Contract Code §4100 *et seq.*
- 8.4 The Contract Sum includes all allowances (if any).
- 8.5 In entering into a public works contract or a subcontract to supply goods, services or materials pursuant to a public works contract, Contractor or Subcontractor offers and agrees to assign to the awarding body all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. §15) or under the Cartwright Act (Chapter 2 (commencing with §16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time County tenders final payment to Contractor, without further acknowledgment by the parties.
- 8.6 Copies of the general prevailing rates of per diem wages for each craft, classification, or type of worker needed to execute the Contract, as determined by Director of the State of California Department of Industrial Relations, are deemed included in the Contract Documents and on file at County's Office, and shall be made available to any interested party on request. Pursuant to California Labor Code §1861, Contractor represents that it is aware of the provisions of Section 3700 of the 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 Contractor shall comply with such provisions before commencing the performance of the Work of the Contract Documents.
- 8.7 Should any part, term or provision of this Agreement or any of the Contract Documents, or any document required herein or therein to be executed or delivered, be declared invalid, void or unenforceable, all remaining parts, terms and provisions shall remain in full force and effect and shall in no way be invalidated, impaired or affected thereby. If

the provisions of any law causing such invalidity, illegality or unenforceability may be waived, they are hereby waived to the end that this Agreement and the Contract Documents may be deemed valid and binding agreements, enforceable in accordance with their terms to the greatest extent permitted by applicable law. In the event any provision not otherwise included in the Contract Documents is required to be included by any applicable law, that provision is deemed included herein by this reference (or, if such provision is required to be included in any particular portion of the Contract Documents, that provision is deemed included in that portion).

8.8 This Agreement and the Contract Documents shall be deemed to have been entered into in the County of Stanislaus, State of California, and governed in all respects by California law (excluding choice of law rules). The exclusive venue for all disputes or litigation hereunder shall be in Stanislaus County Superior Court. Contractor accepts the Claims Procedure in General Conditions, Article GC-9, WORK DISPUTES, Section 9-2, Procedure, as a claims procedure by agreement under the California Government Code, Title 1, Division 3.6, Part 3, Chapter 5.

8-9 Notices: Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

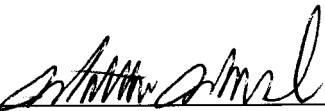
If to County:
Stanislaus County Public Works
Attn: Chris Brady, P.E.
1716 Morgan Road
Modesto, CA 95358

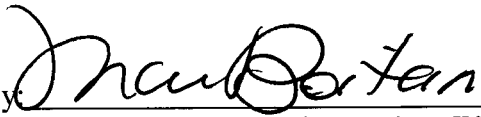
If to Contractor:
Granite Construction Company
Attn: Stephen Bridge
585 W. Beach Street
Watsonville, CA 95077

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

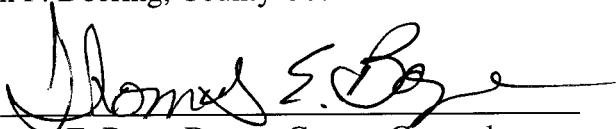
COUNTY OF STANISLAUS


CONTRACTOR: Granite Construction Company

By: 
Matthew Machado, Director of Public Works

By: 
Its: Mark E. Boitano, Executive Vice President
Title (If Corporation: Chairman, President or Vice President)

APPROVED AS TO FORM
John P. Doering, County Counsel

By: 
Thomas E. Boze, Deputy County Counsel

By: 
Its: Ananya Mukherjee, Assistant Treasurer*
Title (If Corporation: Secretary, Assistant Secretary, Chief Financial Officer or Assistant Treasurer)
*Granite Construction Incorporated, parent of the Company

COUNTY RESOLUTION NO. 2009-752

END OF AGREEMENT

GRANITE CONSTRUCTION COMPANY

CERTIFICATE OF SECRETARY

I, Michael Futch, Secretary of GRANITE CONSTRUCTION COMPANY, a California corporation (the "Company"), do hereby certify that the following is a true and correct copy of resolutions duly adopted on September 1, 2009 by unanimous written consent and without a meeting in accordance with the provisions of Article III, Section 9 of the Bylaws of the Company; that the Directors acting were duly and regularly elected; and that the resolutions adopted at said meeting have not been repealed and are still in full force and effect:

AUTHORIZATION TO EXECUTE DOCUMENTS AND AGREEMENTS

RESOLVED, that the below listed individuals are authorized to execute documents and agreements in connection with the operations of this Company:

William G. Dorey	President & CEO
LeAnne M. Stewart	Senior Vice President, CFO, Corporate Compliance Officer & Assistant Secretary
James H. Roberts	Executive Vice President and Chief Operating Officer
Mark E. Boitano	Executive Vice President
Michael F. Donnino	Senior Vice President, Granite East Manager & Assistant Secretary
Jigisha Desai	Vice President, Treasurer, Assistant Financial Officer & Assistant Secretary
John A. Franich	Vice President, Granite West Manager of Construction & Assistant Secretary
Michael Futch	Vice President, General Counsel & Secretary
Randy J. Kremer	Vice President, Granite West Manager of Construction Materials & Assistant Secretary
Laurel J. Krzeminski	Vice President, Controller, Assistant Financial Officer & Assistant Secretary
Kent H. Marshall	Vice President, Director of Large Projects Development and Assistant Secretary
Gary L. Roberts	Vice President & Chief Information Officer
Margaret B. Wynn	Vice President of Human Resources & Assistant Secretary

RESOLVED FURTHER, that the below listed individual of Granite Construction Incorporated, parent of the Company, is authorized to execute documents and agreements in connection with the operations of this Company:

Ananya Mukherjee	Assistant Treasurer
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RESOLVED FURTHER, that the authority provided herein is subject to the limits of authority previously approved and the Granite Construction Incorporated Delegation of Authority and Policy then in effect.

AUTHORIZATION TO ATTEST DOCUMENTS AND AGREEMENTS

RESOLVED FURTHER, that the below listed individuals are authorized to attest documents and agreements in connection with the operations of the Company:

William G. Dorey	President & CEO
LeAnne M. Stewart	Senior Vice President, CFO, Corporate Compliance Officer & Assistant Secretary
James H. Roberts	Executive Vice President and Chief Operating Officer
Mark E. Boitano	Executive Vice President
Michael F. Donnino	Senior Vice President, Granite East Manager & Assistant Secretary
Jigisha Desai	Vice President, Treasurer, Assistant Financial Officer & Assistant Secretary
John A. Franich	Vice President, Granite West Manager of Construction & Assistant Secretary
Michael Futch	Vice President, General Counsel & Secretary
Randy J. Kremer	Vice President, Granite West Manager of Construction Materials & Assistant Secretary
Laurel J. Krzeminski	Vice President, Controller, Assistant Financial Officer & Assistant Secretary
Kent H. Marshall	Vice President, Director of Large Projects Development & Assistant Secretary
Gary L. Roberts	Vice President & Chief Information Officer
Margaret B. Wynn	Vice President of Human Resources & Assistant Secretary
James M. Cady	Assistant General Counsel & Assistant Secretary
Kenneth M. Smith	Granite East Counsel & Assistant Secretary
Richard A. Watts	Granite West Counsel & Assistant Secretary

RESOLVED FURTHER, that the below listed individual of Granite Construction Incorporated, parent of the Company, is authorized to attest documents and agreements in connection with the operations of this Company:

Ananya Mukherjee	Assistant Treasurer
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Dated: September 30, 2009



Michael Futch

DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT

EMPIRE IMPROVEMENT PROJECT PHASE 1A
 BID SUMMARY RESULTS

NO.	ITEM DESCRIPTION	QUANTITY	UNIT	Teichert Construction		Granite Construction		George Reed, Inc.	
				PRICE	TOTAL	PRICE	TOTAL	PRICE	TOTAL
General									
1	Mobilization	1	LS	\$18,900.00	\$18,900.00	\$130,600.00	\$130,600.00	\$100,000.00	\$100,000.00
2	Water Pollution Control	1	LS	\$5,500.00	\$5,500.00	\$4,000.00	\$4,000.00	\$85,000.00	\$85,000.00
3	Traffic Control System	1	LS	\$12,000.00	\$12,000.00	\$25,000.00	\$25,000.00	\$55,000.00	\$55,000.00
4	Portable Changeable Message Signs	4	EA	\$3,500.00	\$14,000.00	\$2,500.00	\$10,000.00	\$15,000.00	\$60,000.00
5	Clearing and Grubbing	1	LS	\$16,000.00	\$16,000.00	\$35,000.00	\$35,000.00	\$35,000.00	\$35,000.00
6	Demolition	1	LS	\$40,000.00	\$40,000.00	\$38,000.00	\$38,000.00	\$65,000.00	\$65,000.00
7	Construction Survey	1	LS	\$14,000.00	\$14,000.00	\$12,000.00	\$12,000.00	\$14,500.00	\$14,500.00
8	Reset Monument	9	EA	\$900.00	\$8,100.00	\$500.00	\$4,500.00	\$500.00	\$4,500.00
9	Portable Construction Office	9	Months	\$1,200.00	\$10,800.00	\$750.00	\$6,750.00	\$2,000.00	\$18,000.00
10	Existing Landscape Mitigation	1	LS	\$3,000.00	\$3,000.00	\$500.00	\$500.00	\$7,500.00	\$7,500.00
Roadway									
11	Asphalt Concrete Removal	187,000	SF	\$0.18	\$33,660.00	\$0.20	\$37,400.00	\$0.25	\$46,750.00
12	Roadway Excavation	3,500	CY	\$20.00	\$70,000.00	\$20.00	\$70,000.00	\$8.50	\$29,750.00
13	Minor Concrete (4" Residential Concrete Driveway)	4,508	SF	\$10.00	\$45,080.00	\$7.00	\$31,556.00	\$6.00	\$27,048.00
14	6" Commercial Concrete Driveway	1,487	SF	\$20.00	\$29,740.00	\$9.00	\$13,383.00	\$5.00	\$7,435.00
15	4" Gravel Driveway	3,368	SF	\$5.50	\$18,524.00	\$2.00	\$6,736.00	\$3.50	\$11,788.00
16	Minor Concrete (Valley Gutter)	1,054	SF	\$11.00	\$11,594.00	\$9.00	\$9,486.00	\$7.00	\$7,378.00
17	Minor Concrete (4.5" Drive Over Curb and Gutter)	6,281	LF	\$16.00	\$100,496.00	\$16.00	\$100,496.00	\$16.00	\$100,496.00
18	Minor Concrete (6' Vertical Curb and Gutter)	3,816	LF	\$18.00	\$68,688.00	\$18.00	\$68,688.00	\$17.00	\$64,872.00
19	Minor Concrete (6" Curb)	224	LF	\$16.00	\$3,584.00	\$30.00	\$6,720.00	\$20.00	\$4,480.00
20	Minor Concrete (Sidewalk)	6,720	SF	\$6.50	\$43,680.00	\$5.00	\$33,600.00	\$5.85	\$39,312.00
21	Minor Concrete (Standard Valley Gutter W/ Returns)	2	EA	\$3,800.00	\$7,600.00	\$3,000.00	\$6,000.00	\$10,500.00	\$21,000.00
22	Minor Concrete (Handicap Ramp (Labor Only))	25	EA	\$300.00	\$7,500.00	\$700.00	\$17,500.00	\$750.00	\$18,750.00
23	Asphalt Concrete (Type A)	4,273	Tons	\$65.00	\$277,745.00	\$70.00	\$299,110.00	\$60.00	\$256,380.00
24	Class 2 Aggregate Base	7,161	CY	\$40.00	\$286,440.00	\$35.00	\$250,635.00	\$36.50	\$261,376.50
25	Cleaned Native Material	133	CY	\$18.00	\$2,394.00	\$10.00	\$1,330.00	\$1.00	\$133.00
26	Removable Bollards	2	EA	\$300.00	\$600.00	\$750.00	\$1,500.00	\$1,300.00	\$2,600.00
27	Relocate Mailbox	8	EA	\$150.00	\$1,200.00	\$200.00	\$1,600.00	\$300.00	\$2,400.00
28	Relocate Traffic Sign	43	EA	\$155.00	\$6,665.00	\$160.00	\$6,880.00	\$170.00	\$7,310.00
29	Install Traffic Sign	7	EA	\$225.00	\$1,575.00	\$215.00	\$1,505.00	\$220.00	\$1,540.00
30	Thermoplastic Traffic Stripe (Detail 22)	3,292	LF	\$1.10	\$3,621.20	\$1.00	\$3,292.00	\$1.10	\$3,621.20
31	Thermoplastic Pavement Marking	940	SF	\$4.00	\$3,760.00	\$3.75	\$3,525.00	\$4.50	\$4,230.00
32	Thermoplastic Crosswalk and Limit Line	844	LF	\$4.00	\$3,376.00	\$3.75	\$3,165.00	\$4.50	\$3,798.00

Storm Drain									
33	66" Dia. RCP (Rubber Gasket Joint)	69	LF	\$275.00	\$18,975.00	\$230.00	\$15,870.00	\$245.00	\$16,905.00
34	66" Dia. CMP Horizontal Drain	360	LF	\$275.00	\$99,000.00	\$275.00	\$99,000.00	\$280.00	\$100,800.00
35	48" Dia. RCP (Rubber Gasket Joint)	590	LF	\$220.00	\$129,800.00	\$200.00	\$118,000.00	\$210.00	\$123,900.00
36	30" Dia. RCP (Rubber Gasket Joint)	1,545	LF	\$110.00	\$169,950.00	\$120.00	\$185,400.00	\$110.00	\$169,950.00
37	24" Dia. RCP (Rubber Gasket Joint)	1,104	LF	\$70.00	\$77,280.00	\$70.00	\$77,280.00	\$70.00	\$77,280.00
38	18" Dia. RCP (Rubber Gasket Joint)	1,456	LF	\$116.00	\$168,896.00	\$70.00	\$101,920.00	\$68.00	\$99,008.00
39	12" Dia. RCP (Rubber Gasket Joint)	526	LF	\$66.00	\$34,716.00	\$60.00	\$31,560.00	\$64.00	\$33,664.00
40	Horizontal Drain Manhole	2	EA	\$16,000.00	\$32,000.00	\$18,000.00	\$36,000.00	\$17,500.00	\$35,000.00
41	Precast Junction Manhole	2	EA	\$12,000.00	\$24,000.00	\$17,000.00	\$34,000.00	\$17,500.00	\$35,000.00
42	48" Regular Manhole	14	EA	\$2,600.00	\$36,400.00	\$3,100.00	\$43,400.00	\$2,100.00	\$29,400.00
43	Regular 60" Storm Drain Manhole	5	EA	\$3,650.00	\$18,250.00	\$3,900.00	\$19,500.00	\$2,750.00	\$13,750.00
44	72" Storm Drain Manhole	1	EA	\$4,400.00	\$4,400.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00
45	Area Drain	3	EA	\$1,200.00	\$3,600.00	\$800.00	\$2,400.00	\$1,750.00	\$5,250.00
46	Type GO Inlet	19	EA	\$2,500.00	\$47,500.00	\$1,800.00	\$34,200.00	\$2,500.00	\$47,500.00
47	Type OS Inlet	7	EA	\$2,500.00	\$17,500.00	\$2,500.00	\$17,500.00	\$2,800.00	\$19,600.00
48	66" RCP Fitting (Rubber Gasket Joint)	2	EA	\$1,500.00	\$3,000.00	\$1,800.00	\$3,600.00	\$2,100.00	\$4,200.00
49	Stub and Plug 66" RCP Storm Drain	1	EA	\$770.00	\$770.00	\$750.00	\$750.00	\$3,200.00	\$3,200.00
50	Stub and Plug 54" Dia. RCP Storm Drain	1	EA	\$750.00	\$750.00	\$800.00	\$800.00	\$1,200.00	\$1,200.00
51	Stub and Plug 36" Dia. RCP Storm Drain	3	EA	\$350.00	\$1,050.00	\$400.00	\$1,200.00	\$450.00	\$1,350.00
Sanitary Sewer									
52	10" Ductile Iron Pipe	10	LS	\$300.00	\$3,000.00	\$70.00	\$700.00	\$800.00	\$8,000.00
53	Replace Existing Manhole Cone	1	EA	\$1,100.00	\$1,100.00	\$1,500.00	\$1,500.00	\$2,000.00	\$2,000.00
54	Adjust Manhole Rim to Grade	16	EA	\$750.00	\$12,000.00	\$500.00	\$8,000.00	\$500.00	\$8,000.00
55	Relocate Cleanout	1	EA	\$500.00	\$500.00	\$250.00	\$250.00	\$1,000.00	\$1,000.00
Domestic Water									
56	10" Ductile Iron Pipe	20	LF	\$105.00	\$2,100.00	\$65.00	\$1,300.00	\$105.00	\$2,100.00
57	Adjust Valve Box to Grade	27	EA	\$500.00	\$13,500.00	\$400.00	\$10,800.00	\$255.00	\$6,885.00
58	Install New Valve Box	6	EA	\$385.00	\$2,310.00	\$100.00	\$600.00	\$300.00	\$1,800.00
59	Replace Water Meter and Service	1	EA	\$850.00	\$850.00	\$1,500.00	\$1,500.00	\$1,700.00	\$1,700.00
TOTAL				\$2,093,019.20		\$2,091,987.00		\$2,219,889.70	

Second lowest

Lowest bid

**STANISLAUS COUNTY PUBLIC WORKS
ENGINEERING DIVISION
1716 MORGAN ROAD
MODESTO, CA 95358**

TRANSMITTAL

Date: December 11, 2009
To: Suzi Seibert, Assistant Clerk of the Board
From: Linda Allsop, Morgan Road
209-525-4157
Re: 2nd Attachment for Item *C-1, November 03, 2009

Hi Suzi:

Enclosed is the following

- Agreement with Nolte Associates, Inc.

Have a good day!

BOARD OF SUPERVISORS
2009 DEC 14 A 11:45

**STANISLAUS COUNTY
PROFESSIONAL DESIGN SERVICES AGREEMENT**

This Agreement is made and entered into by and between the County of Stanislaus, a political subdivision of the State of California, hereinafter referred to as "County" and Nolte Associates, Inc., hereinafter referred to as "Consultant".

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1.0 PROFESSIONAL SERVICES TO BE PROVIDED BY CONSULTANT

1.1. Scope of Services: Consultant shall provide the professional services described in the County's Request for Proposal ("RFP") attached hereto as Exhibit "A" and incorporated herein by reference and Consultant's Response to County's RFP (the "Response"). A copy of said Response is attached hereto as Exhibit "B" and incorporated herein by this reference.

1.2. Professional Practices: All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also represents that it is familiar with all laws that may affect its performance of this Agreement and shall advise County of any changes in any laws that may affect Consultant's performance of this Agreement.

1.3. Representations: Consultant represents that it has reviewed the RFP and that in its professional judgment the services to be performed under this Agreement can be performed within the maximum fee set forth herein below and within the time specified in the Project Schedule attached hereto. Consultant represents that it is qualified to perform the professional services required by this Agreement and possesses the necessary licenses and permits required to perform said services.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement.

1.5. Non-Discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, age, physical handicap, medical condition, marital status, sexual gender or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code. Violation of this provision may result in the imposition of penalties referred to in Labor Code, Section 1735.

1.6. Non-Exclusive Agreement. Consultant acknowledges that County may enter into

agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.7. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of County. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

2.0 COMPENSATION AND BILLING

2.1. Compensation. Consultant shall be paid in accordance with the fee schedule set forth in Exhibit "C", attached hereto and made a part of this Agreement (the "Fee Schedule"). Consultant's compensation shall in no case exceed One-Hundred-Ninty-Nine Thousand Four-Hundred-Seventy-Six Dollars (\$199,476.00).

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Response unless the County or the Project Manager for this Project, prior to Consultant performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable.

2.3. Method of Billing. Consultant may submit invoices to County's Project Manager for approval on a progress basis, but no more often than once each calendar month. Said invoice shall be based on the total of all Consultants' services that have been completed to County's sole satisfaction. County shall pay Consultant's invoice within forty-five (45) days from the date County receives said invoice. Each invoice shall describe in detail, the services performed and the associated percentage of tasks completed. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to County or its Project Manager for inspection and/or audit at mutually convenient times for a period of three (3) years from the termination of this Agreement.

3.0 TIME OF PERFORMANCE

3.1. Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall commence within five (5) days after County delivers its Notice to Proceed. Said services shall be performed in strict compliance with the Project Schedule approved by County as set forth in Exhibit "D", attached hereto and incorporated herein by this reference. The Project Schedule may be amended by mutual agreement of the parties. Failure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination of this Agreement.

3.2. Excusable Delays. Neither party shall be responsible for delays nor lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party.

4.0 TERM OF CONTRACT AND TERMINATION

4.1. Term. This Agreement shall commence upon approval by the County's Board of Supervisors and continue until the work required herein is completed, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

4.2. Notice of Termination. The County reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing written notice to Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the County.

4.3. Compensation. In the event of termination, County shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of County's written notice of termination. Compensation for work in progress shall be prorated as to the percentage of work completed as of the effective date of termination in accordance with the fees set forth in Exhibit "C". In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to the County or in the possession of the Consultant.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to the County within ten (10) days of delivery of termination notice to Consultant, at no cost to County. Any use of uncompleted documents without specific written authorization from Consultant shall be at County's sole risk and without liability or legal expense to Consultant.

5.0 INSURANCE REQUIREMENTS

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain and maintain during the life of this Agreement all of the following insurance coverages:

- (a) Comprehensive general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury with a policy limit of not less than Two Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate. If Commercial General Liability Insurance or other form with a general aggregate limit is

used, either the general aggregate limit shall apply separately to any act or omission by Consultant under this Agreement or the general aggregate limit shall be twice the required occurrence limit.

(b) Automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate.

(c) Workers' compensation insurance as required by the State of California.

(d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than Two Million Dollars (\$2,000,000.00), per claim, in the aggregate, covering the negligent acts, errors, or omissions of Consultant in connection with the performance of Consultant's services. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

5.2. Endorsements. The Consultant shall obtain a specific endorsement to all required insurance policies, except Workers' Compensation insurance and Professional Liability insurance, naming the County and its officers, officials and employees as additional insureds regarding:

(a) Liability arising from or in connection with the performance or omission to perform any term or condition of this Agreement by or on behalf of the Consultant, including the insured's general supervision of its subcontractors;

(b) Services, products and completed operations of the Consultant;

(c) Premises owned, occupied or used by the Consultant; and

(d) Automobiles owned, leased, hired or borrowed by the Consultant.

(e) For Workers' Compensation insurance, the insurance carrier shall agree to waive all rights of subrogation against the County, its officers, officials and employees for losses arising from the performance of or the omission to perform any term or condition of this Agreement by the Consultant.

5.3. Deductibles: Any deductibles, self-insured retentions or named insureds must be declared in writing and approved by County. At the option of the County, either: (a) the insurer shall reduce or eliminate such deductibles, self-insured retentions or named insureds, or (b) the Consultant shall provide a bond, cash, letter of credit, guaranty or other security satisfactory to the County guaranteeing payment of the self-insured retention or deductible and payment of any and all costs, losses, related investigations, claim administration and defense expenses. The County, in its sole discretion, may waive the requirement to reduce or eliminate deductibles or self-insured retentions, in which case, the Consultant agrees that it will be responsible for and pay any self-insured retention or deductible and will pay any and all costs, losses, related investigations, claim administration and defense expenses related to or arising out of the Consultant's defense and indemnification obligations as set forth in this Agreement.

5.4. Certificates of Insurance: At least ten (10) days prior to the date the Consultant begins performance of its obligations under this Agreement, Consultant shall furnish County with certificates of insurance, and with original endorsements, showing coverage required by this Agreement, including, without limitation, those that verify coverage for subcontractors of the Consultant. The certificates and endorsements for each insurance policy are to be signed by a

person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements shall be received and, in County's sole and absolute discretion, approved by County. County reserves the right to require complete copies of all required insurance policies and endorsements, at any time.

5.5. Non-limiting: Nothing in this Section or the insurance described herein shall be construed as limiting in any way, the indemnification provisions contained in this Agreement, or the liability of Consultant and Consultant's officers, employees, agents, representatives or subcontractors for payments of damages to persons or property.

5.6. Primary Insurance: The Consultant's insurance coverage shall be primary insurance regarding the County and County's officers, officials and employees. Any insurance or self-insurance maintained by the County or County's officers, officials and employees shall be excess of the Consultant's insurance and shall not contribute with Consultant's insurance. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the County or its officers, officials and employees. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5.7. Cancellation of Insurance: Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party except after thirty (30) days prior written notice has been given to County. The Consultant shall promptly notify, or cause the insurance carrier to promptly notify, the County of any change in the insurance policy or policies required under this Agreement, including, without limitation, any reduction in coverage or in limits of the required policy or policies.

5.8. California Admitted Insurer: Insurance shall be placed with California admitted insurers (licensed to do business in California) with a current rating by Best's Key Rating Guide of no less than A-:VII; provided, however, that if no California admitted insurance company provides the required insurance, it is acceptable to provide the required insurance through a United States domiciled carrier that meets the required Best's rating and that is listed on the current List of Eligible Surplus Line Insurers maintained by the California Department of Insurance.

5.9. Subcontractors: Consultant shall require that all of its subcontractors are subject to the insurance and indemnity requirements stated herein, or shall include all subcontractors as additional insureds under its insurance policies.

6.0 INDEMNIFICATION

6.1. Indemnification: To the fullest extent allowed by law, Consultant shall defend, indemnify, and hold harmless the County and its officers, agents, employees and representatives from and against any and all claims, suits, actions, losses, injuries, damages or expenses of every name, kind, and description, including litigation costs and reasonable attorney's fees incurred, which are founded upon, arise out of, pertain to, or relate to, directly or indirectly, in whole or in part, the alleged negligence, recklessness, or willful misconduct of Consultant, its officers,

agents, employees, volunteers, representatives, contractors and subcontractors, excluding, however, such liabilities caused in part by the sole negligence, active negligence or willful misconduct of the County, its agents, employees, and representatives.

6.2. Duty to Defend: The duty of Consultant to indemnify and save harmless as set forth herein, shall include both the duty to indemnify and at Consultant's own cost and expense the duty to defend as set forth in Section 2778 of the California Civil Code. This duty to defend arises when such claim is made and shall be independent of any finding of the County's negligence. Consultant shall provide legal counsel reasonably acceptable to the County.

6.3. Duty to Cooperate: Each party shall notify the other party immediately in writing of any claim or damage related to activities performed under this Agreement. The parties shall cooperate with each other in the investigation and disposition of any claim arising out of the activities under this Agreement. Specifically, Consultant shall take all steps necessary to assist the County in the defense of any claim brought by a contractor hired to construct the Project regarding any errors, flaws, and/or omissions in the plans or specifications of the Project.

6.4. Patent Rights: Consultant represents that professional services provided by Consultant pursuant to this Agreement does not infringe on any other copyrighted work. Consultant shall defend, indemnify and hold harmless the County from all loss, cost, damage, expense, liability or claims, including attorneys' fees, court costs, litigation expenses and expert consultant or witness fees, that may at any time arise for any infringement of the patent rights, copyright, trade secret, trade name, trademark, service mark or any other proprietary right of any person or persons in consequence of the use by the County of any articles or services supplied under this agreement.

7.0 GENERAL PROVISIONS

7.1. Entire Agreement: This Agreement constitutes the entire Agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

7.2. Representatives. The Director of the Stanislaus County Department of Public Works, or his designee, shall be the representative of County for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of the County, called for by this Agreement, except as otherwise expressly provided in this Agreement. Consultant shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

7.3. Project Managers. County shall designate a Project Manager to work directly with Consultant in the performance of this Agreement. Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with County during the term of this Agreement. Consultant or its Project Manager shall attend and assist in all coordination meetings

called by County.

7.4. Designated Personnel: A material covenant of this agreement is that the Consultant shall assign the individuals designated below to perform the functions designated so long as they continue in the employ of the Consultant. The designated individuals shall, so long as their performance continues to be acceptable to County, remain in charge of the services for the Project from beginning through completion of services.

- a. Project Manager: Dan Shultes, P.E; and
- b. Lead/Manager: _____ N/A _____

7.5. Removal of Personnel or Sub-Consultants: If the County, in its sole discretion at any time during the term of this agreement, desires the removal of any person or sub-consultant assigned by Consultant to perform services, then the Consultant shall remove such person or consultant immediately upon receiving notice from the County.

7.6. Notices: Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

If to County:

Stanislaus County
Department of Public Works
Attn: Charles T. Vasquez
Project Manager
1716 Morgan Road
Modesto, California 95358
(209) 525-4144
Fax: (209) 525-4140

If to Consultant:

Nolte Associates, Inc.
Dan Shultes, P.E.
Project Manager
2495 Natomas Park Drive, Fourth Floor
Sacramento, California 95388-2935
(916) 641-9100
Fax: (916) 641-9222

7.7. Attorneys' Fees: In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

7.8. Governing Law: This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Stanislaus County, California.

7.9. Assignment: Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without County's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of County's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

7.10. Independent Contractor: Consultant is and shall be acting at all times as an independent contractor and not as an employee of County. Consultant shall secure, at his expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder.

7.11. Ownership of Documents: Any interest, including copyright interests, of Consultant or its contractors or subconsultants in studies, reports, memoranda, computational sheets, drawings, plans or any other documents, including electronic data, prepared in connection with the Services, shall be the property of County. To the extent permitted by law, work product produced under this Agreement shall be deemed works for hire and all copyrights in such works shall be the property of the County. In the event that it is ever determined that any works created by Consultant or its subconsultants under this Agreement are not works for hire, Consultant hereby assigns to County all copyrights to such works. With the County's prior written approval, Consultant may retain and use copies of such works for reference and as documentation of experience and capabilities.

7.12. Reuse of Design Documents: Should the County desire to reuse the documents specified above and not use the services of the Consultant, then the County agrees to require the new consultant to assume any and all obligations for the reuse of the documents, and the County releases Consultant and its subconsultants from all liability associated with the reuse of such documents.

7.13. Public Records Act Disclosure: Consultant has been advised and is aware that all reports, documents, information and data including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subcontractors, and provided to County may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 6250 et. seq.). Exceptions to public disclosure may be those documents or information that qualifies as trade secrets, as that term is defined in the California Government Code Section 6254.7, and of which Consultant informs County of such trade secret. The County will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The County shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

7.14. Responsibility for Errors: Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the County's representative, regarding any services rendered under this

Agreement at no additional cost to County. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to County, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of County and to participate in any meeting required with regard to the correction.

7.15. Order of Precedence: In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of the RFP or the Response, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over both the Response and the RFP and the Response shall govern over the RFP.

7.16. Costs: Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

7.17. No Third Party Beneficiary Rights: This Agreement is entered into for the sole benefit of County and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

7.18. Construction: The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

7.19. Amendments: Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

7.20. Waiver: The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

7.21. Severability: If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party is materially impaired, which determination as made by the presiding court or arbitrator of competent

jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.


7.22. Counterparts: This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.


7.23. Corporate Authority: The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so, the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers:

COUNTY OF STANISLAUS

DESIGN PROFESSIONAL

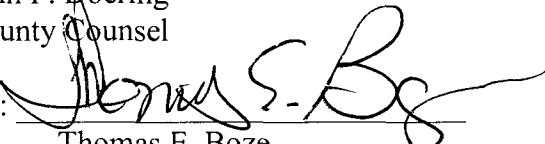
By: 
MATTHEW MACHADO, Director
Department of Public Works

By: 
Steve Hiatt, P.E.

Corporate Title: Vice President

APPROVED AS TO FORM:

John P. Doering
County Counsel

By: 
Thomas E. Boze
Deputy County Counsel

\\STANFS1\VOL2\HOME\CO\BOZET\PROJECTS\Public Works\Contract Forms\DESIGN PROFESSIONAL AGREEMENT.doc

EXHIBIT A

COUNTY'S REQUEST FOR PROPOSAL



DEPARTMENT OF PUBLIC WORKS

Matt Machado, PE
Director

Laurie Barton, PE
Deputy Director, Engineering/Operations

Diane Haugh
Assistant Director, Business/Finance

Engineering & Operations Division
1716 Morgan Road, Modesto, CA 95358
Phone: 209-525-4130; Fax: 209-525-4140

**COUNTY OF STANISLAUS
REDEVELOPMENT AGENCY
EMPIRE IMPROVEMENT PROJECT PHASE 1 A**

**REQUEST FOR PROPOSALS FOR
CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES**

1. Project Description

The Stanislaus County Redevelopment Agency (SCRA) is soliciting proposals to provide professional construction management, inspection and quality assurance services for the Empire Infrastructure Improvements Project. The project is within the community of Empire, located in the central portion of Stanislaus County. The project encompasses approximately 38 acres and is generally bounded by Highway 132 to the south, Second Street to the north, I Street to the east, and E Street to the west. The construction includes the installation of curb, gutter, handicap curb returns, new street section, a storm drain collection system and related facilities.

It will be the responsibility of the Stanislaus County Department of Public Works, to oversee the Consultant's work effort on each order of work assigned. Special services not immediately available within the Consultant's firm should be subcontracted out as appropriate by the Consultant.

This project is scheduled to start construction in November 2009.

The project will require a licensed civil engineer in responsible charge of the inspection work to act in the capacity of a resident engineer (RE). Please note that this does not mandate that the RE is on-site full-time and may direct the work through inspectors. The project will require extensive coordination of construction activities to maintain access and minimize disruptions to affected residents and businesses.

2. Scope of Work

Elements of the scope of work for this project include, but are not limited to the following:

Preconstruction Services:

- Review project documents, including plans, specifications, and engineer's estimate, soils reports and other technical information.
- Establish project procedures, including administrative processes based on the specifics of the construction contract in accordance with Caltrans procedures.
- Kick-off Meeting with County staff and the project designers.
- Preconstruction meeting with County staff, Contractor and subcontractors.

Construction Management Services During Construction:

- Project coordination and correspondence.
- Progress meetings.
- Document control in accordance with Caltrans procedures.
- Schedule Management of the construction contract in Critical Path Method.
- Statement of Working Days that will include a record of weather conditions, controlling operations and status of remaining working days.
- Monthly project status reporting.
- Monthly payment review.
- Submittals management.
- Requests for Information management.
- Change Orders and Claims.
- Construction observation and inspection services, including daily diaries.
- Coordinate and schedule with the County material testing consultant, Neil O. Anderson and Associates, to comply with Quality Assurance Testing conforming to Chapter 8 of the State of California Construction Manual and Material Testing Manual for the following items, but not limited to: earthwork/trench backfill, aggregate base, asphalt concrete, Portland cement concrete.
- Labor Compliance services to include review of contractor and subcontractor certified payrolls in compliance with the Caltrans Labor Compliance program.
- Construction staking management of requests.
- Office space will be provided by the Construction Contractor as part of their contract.

Post Construction Services:

- Perform final inspection, including preparation and management of a punch list.
 - Receive record drawings and review as-built drawings.
 - Prepare final payment request.
- A Public Outreach Program shall be closely coordinated with the County's consultant, Judith Buehe Public Relations (JBPR) and taken into consideration while preparing your proposal as a coordination effort only.

If you are interested in submitting a proposal for professional construction management and inspection services on this project, please deliver four signed copies of your proposal to the below address prior to **5:00 P.M. on Monday, October 04, 2009**. Your proposal will be evaluated at a minimum based upon the following criteria:

- Signed cover sheet of person with the authority to negotiate and contractually bind your firm statement.
- The body of the proposal shall not exceed twenty-five (25) pages, exclusive of any folders, cover or section dividers. Each page must be numbered.
- Proposed staffing for this project.
- Staff qualifications and current/projected workload.
- Proposed project schedule including all major milestones.
- List of services that you provide, including your approach to project delivery.
- Proposed fee proposals that breaks the project onto separate functional tasks and provides the associated fees that define the work to be done.

Enclosed please find:

1. Draft of the County's Agreement for Professional Design Services (agreement used for these type of services)

If the consultant has any proposed changes to the above-mentioned document, please clearly outline those changes within the text of their cover letter of the proposal.

Enclosed also for your use are electronic files of the following documents:

- Project Drawings, Specifications, Addendum

Please submit your proposal to:

**RFP EMPIRE IMPROVEMENT PROJECT PHASE 1A
CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES**

David Leamon, P.E.
Senior Civil Engineer
Stanislaus County, Department of Public Works
1716 Morgan Road
Modesto, CA 95358

We anticipate reviewing the proposals shortly after the closing date for receiving the proposals.

If you should have any questions regarding this item, please email Charles T. Vasquez at charles.vasquez@stancounty.com or fax (209) 525-4140.

Sincerely,

David Leamon, P.E.
Senior Civil Engineer

CV:cb

EXHIBIT B

CONSULTANT'S RESPONSE TO COUNTY'S REQUEST FOR PROPOSAL

Approach & Services

Nolte has extensive knowledge of and expertise with managing the construction of projects similar to your Empire Improvements Project. Our team has many years of experience working on roadway projects with Caltrans language and requirements. For example, Nolte is currently working on your Keyes Infrastructure Improvements project, which has many of the same qualities as those to be constructed with the Empire Improvements including roadway construction, traffic control, utility relocation, and important Public Outreach programs schedules.

Nolte's team is efficient! We will provide a part-time, licensed resident engineer and a full-time assistant resident engineer/inspector for the duration of the contract with additional inspection (if needed) during peak periods. Nolte will also provide administrative support. Our staff will coordinate with Judith Buehe Communications and Neil O. Anderson which will provide outreach and materials testing, respectively, under separate contracts with the County.

Nolte has reviewed and understands the scope of work described in the request for proposal. We have expanded upon that scope with additional detail based on our recent experience. The following sections address the scope of work that Nolte will provide on your Empire Improvements Project. Major task headings presented below are based upon those presented in the RFP.

Nolte understands that Task 1 will occur right away since the construction contractor, Granite Construction, has already been determined.

Based on our review and analysis of the project, construction is to be complete prior to June 1, 2010. Two additional weeks is anticipated to complete final paperwork after the construction completion on June 1. During this Task 2 Construction Period, Nolte's CM team will again function as an extension of County Staff. We will provide the full start-to-finish range of construction phase engineering services associated with both office administration and field services for construction of the Empire Improvements Project.

Task I - Preconstruction Services

Task I.1 - Review Project Documents

A thorough knowledge of the project prior to the first day of construction is among the most important responsibilities of a construction management team. With this in mind, Nolte has already begun a review of the Empire Improvements project. Team members have met with the County's project representatives and with Granite Construction's superintendant to discuss the project and begin to identify issues. During our preconstruction services, Nolte's assistant resident engineer/inspector will continue to review the PS&E documents including contract plans, specifications, permits, and utility or property agreements. This review will allow us to

quickly become knowledgeable of the project components. Our review will also look for ambiguities and conflicts including inconsistencies between parts of the plans, specifications, and estimates. Furthermore, the review will look for inclusion of key construction and contract administration specifications—such as contract payment requirements, calendar day durations, and expected contractor submittal review times—which will be important to managing the contractor.

Task 1.2 - Establish Project Procedures

In preparing to begin the construction of the project, Nolte staff will establish project procedures for the Empire Improvements project. This manual will detail the administrative process to be used and will be based on specifics of this contract as well as procedures set forth in various manuals from the County and Nolte. One of the many components of the project procedures is the establishment of our record keeping documentation, which will follow Caltrans procedures.

Task 1.3 - Kick-off Meeting

Nolte will attend a meeting with the County to discuss the design, schedule, and to coordinate responsibilities with the construction management team.

Task 1.4 - Preconstruction Conference

Nolte will hold a preconstruction conference with Granite Construction and their subcontractors before start of work to review the project and discuss coordination efforts. This meeting will be used to establish managerial and administrative procedures with the contractor to ensure efficient startup and execution of the project.

Task 2 - Construction Management Services during Construction

Task 2.1 - Project Coordination and Correspondence

Interaction with County Staff and Utilities

Team interaction with these agencies is a primary function of the assistant resident engineer/inspector. To assist the project team in serving this role, our key personnel will utilize Nolte provided laptop computers, which can be networked to the County's Project Manager, Nolte's Manteca office, and appropriate agencies via the internet. In order for the project to run smoothly, Nolte will serve as the main contact for the County, contractor, and other agencies.

Progress Meetings

Nolte will hold weekly progress meetings with the Granite Construction and their appropriate subcontractors to review construction progress. Monthly meetings to specifically discuss scheduling will also be held to identify work completed and plan of activities for the coming month. We will keep minutes of the meetings, assigning action items, responsibilities, and documenting project trends.

Document Control

When performing construction management activities, an area of importance that cannot be overemphasized is Document Control. Effective control of a construction project cannot be maintained without paperwork—to inform, to change, to expedite, and to provide a permanent record. Nolte will serve as the focal point responsible for the coordination of the required documents. All contract files will be maintained in accordance with Caltrans procedures.

Task 2.2 - Schedule Management, Progress Meetings, and Reports

Nolte will review both the construction baseline schedule and schedule updates. Analysis of the schedules will look for flaws and areas of special concern (including impacts of change orders). We will check the Logic Network and the activity input durations and precedents for reasonableness of the sequence and the duration of the activities.

Statement of Calendar Days

Nolte will prepare a record of weather conditions, controlling operation(s), and the status of calendar days remaining on a weekly basis. A copy will be sent to the contractor.

Project Reporting

A monthly status report will be prepared and submitted to the County project manager. The report will include:

- Progress to date
- Status of submittals and change orders, including our change order log
- Summary statement of calendar days
- Progress pay estimates

Task 2.3 - Monthly Payment Review

We will review applications for payment with Granite Construction and negotiate any differences between the amount requested and the engineer's estimate for work completed. Payments will be processed through the County Project Manager. The estimate will include a systematic determination of the quantities of work completed and their values.

Task 2.4 - Submittals Management

Contract provisions identify specific items to be provided by the contractor which are subject to review. Nolte will establish a the list of submittals, including materials to be installed, and shop fabrication plans. When we receive submittals from the contractor, they will be stamped and logged in by date of receipt. Nolte will then review these submittals or forward them to the County's design engineer as appropriate. Nolte will coordinate the reviews to ensure consistent and complete reviews.

Task 2.5 - Requests for Information

Nolte will receive and log in contractor Requests for Information (RFI) - requested design clarification requests, during construction. We will work closely with the County design engineer to respond to contract RFIs. The status of RFIs will be accounted for in our comprehensive RFI log. All clarifications are to be presented in writing by the contractor to Nolte. If necessary, we will conduct meetings with County staff and the contractor to discuss and resolve requests for information.

Task 2.6 - Change Orders & Claims

Change Orders

Evaluation and negotiation of contract change orders (CCOs) are among the most important functions of the construction management team. A quick and accurate evaluation can help keep the project on schedule and avoid contractor claims. Prior to requesting County approval, all contract change orders will be evaluated and prepared by Nolte's resident engineer/inspector.

Claims Management

Nolte will take the lead in the resolution of any contract claims for this project during the construction contract period. We will keep current logs of Notice of Potential Claims and will prepare documents and supporting evidence regarding claims. Information on each individual Notice of Potential Claim is kept separately in the project files. Documentation and arguments are also assembled into a report and submitted to the County for their review and use. We will be available to provide additional claims resolution support if further action is required. Claims resolution work, if any, is typically handled in the post construction services and will be performed as an extra work item because the amount of work cannot be determined ahead of time.

Task 2.7 - Construction Observation/Inspection Services

Several forms of documentation and correspondence will be used during this project. We will use records, such as still photographs (in electronic format), to document existing conditions, major features, and construction progress.

Daily diaries will be the core of project documentation. In addition to our forms and any forms required by the County, Nolte will keep diaries for each and every date that construction progress occurs.

Field Inspection

The assistant resident engineer/inspector will assist the contractor's responsible field personnel to produce an acceptable product by:

Reviewing in detail the contract requirements applicable to the prospective work

Discussing the contractor's work plans in detail with his responsible field people to highlight special contract requirements and to identify and avoid potential problems

Observing work preparations, verifying the suitability of these preparations for the work planned, and providing appropriate feedback to those involved

Identifying construction flaws as soon as possible and exploring possible remedies with those concerned to get an acceptable product

Observing the construction activity, commenting on progress, and preparing related reports

Through more extensive onsite observations of work in progress and field checks by the assistant resident engineer/inspector, Nolte Associates Inc. shall endeavor to provide further protection for the County of Stanislaus against defects and deficiencies in the work of the contractor; but, the furnishing of such services will not make Nolte Associates, Inc. responsible for or give Nolte Associates, Inc. control over construction means, methods, techniques, sequences or procedures or for safety precautions or programs, or responsibility for Contractor's failure to perform the work in accordance with the Contract Documents.

Task 2.8 - Quality Assurance Testing

Nolte personnel will coordinate with Neal O. Anderson, as contracted with the County as they provide material testing and quality control for the Empire Improvements project.

Task 2.9 - Labor Compliance

Nolte will receive and maintain a log of certified payrolls from the prime contractor and its sub-contractors. Inspector reports will be periodically spot-checked and compared with the certified payrolls and the hours worked by the contractor for accuracy. Periodic spot-check labor interviews with contractor employees will be performed by Nolte CM team. Hourly rates (including overtime) will be verified by using the State of California, Department of Industrial Relations prevailing wage rates.

Nolte will notify the prime contractor when discrepancies occur in the certified payrolls in relation to the hours worked or pay rates.

Task 2.10 - Construction Staking

Nolte understands that the contractor will provide all construction staking services.

Task 3 - Post Construction Services

Task 3.1 - Perform Final Inspection

Items to be corrected or furnished by the contractor before project acceptance will be put in the form of a punch list as the work nears completion. Nolte's assistant resident engineer/inspector will conduct a final inspection with representatives of the County, contractor, and appropriate agencies before acceptance of the project.

Task 3.2 - Receive Record Drawings

Deviations from the design drawings during construction will be noted as they occur on a set of 'As Built' drawings kept by the contractor. Nolte's assistant resident engineer/inspector will review the individual marked up 'As Built' plans as provided by the contractor and compile these drawings. These revisions will be documented on one marked up copy of the project plans.

Task 3.3 - Prepare Final Payment Request

After project acceptance, Nolte will prepare a proposed final estimate (PFE) to allow Granite Construction to make exceptions to the final amount of compensation. Prior to submitting the PFE, we will meet with the contractor to attempt to agree on final payment for all contract items and change orders. If the contractor still objects to the PFE, we will assist the County in negotiating final settlement with the contractor and process the final estimate.

Task 4 - Additional Tasks (as required)

Items that have not been identified in Tasks 1, 2, and 3 above will be considered as additional support required for the project. If requested by the County, Nolte could provide such services as an additional item with details to be determined at a later date.

EXHIBIT C

CONSULTANTS FEE SCHEDULE

Fee Proposal

The fees for Nolte's services are based on a construction duration of no more than 140 days with one extra month allowed for completion of final construction punchlist items and/or project completion paperwork. The 140-day construction period is based on an assumed construction Notice to Proceed date issued November 2, 2009 and completed prior to June 2010. Based on conversations with Granite Construction, it is anticipated that the contractor will slow down activities during the months of December and January, and accelerate work starting in February to meet the May 14, 2010 completion date.

Compensation for the construction observation and administration services will be on a time and materials basis. Rates for staff on the following fee spreadsheet are effective through the end of September 2010. The rates are adjusted annually in October of each year.

EXHIBIT D

PROJECT SCHEDULE

EMPIRE IMPROVEMENT PROJECT PHASE 1A - CONSTRUCTION MANAGEMENT
Stanislaus County Redevelopment Agency

DESCRIPTION	OVERSIGHT RESIDENT ENGINEER	RESIDENT ENGINEER/ INSPECTOR	ASSISTANT INSPECTOR	PROJECT ADMIN ASSISTANT	TOTAL HOURS
<i>Staff Members</i>	<i>Dan Schultes</i>	<i>Gordon Berg</i>	<i>Ryan Wilson</i>	<i>Jan Henricksen</i>	
Preconstruction Services - Task 1					
1.1 Review Project Documents		8		6	14
1.2 Establish Project Procedures	2	4			6
1.3 Kick-Off Meeting		2			2
1.4 Preconstruction Meeting	2	4		4	10
Man Hour Total	4	18	0	10	32
Hourly Rate Charge	\$171.00	\$130.00	\$100.00	\$79.00	
Total Fees Task 1	\$684.00	\$2,340.00	\$0.00	\$790.00	\$3,814.00
Construction Management Services During Construction - Task 2					
2.1 Project Coordination and Correspondence					
<i>Interaction with County Staff, Designer, & Utilities</i>	8	80			88
<i>Document Control</i>		80	32	110	222
2.2 Schedule Management, Meetings, & Reports					
<i>CPM Schedule Review</i>		40			40
<i>Weekly Statement of Working Days</i>		20			20
<i>Progress Meetings</i>		42	8	42	92
<i>Project Reporting</i>		8		8	16
2.3 Monthly Payment Review		44	24	30	98
2.4 Submittals Management		44	12		56
2.5 Requests for Information (RFIs)		24			24
2.6 Change Orders and Claims					
<i>Change Orders</i>		56	16	20	92
<i>Claims Management</i>		16			16
2.7 Construction Observation/Inspection Services		500	180		680
2.8 Quality Assurance Testing		12	8		20
2.9 Labor Compliance				20	20
Man Hour Total	8	966	280	230	1484
Hourly Rate Charge	\$171.00	\$130.00	\$100.00	\$79.00	
Total Fees Task 2	\$1,368.00	\$125,580.00	\$28,000.00	\$18,170.00	\$173,118.00
Post Construction Services - Task 3					
3.1 Perform Final Inspection		20			20
3.2 Receive Record Drawings		30			30
3.3 Prepare Final Payment Request		30		16	46
Man Hour Total	0	80	0	16	96
Hourly Rate Charge	\$171.00	\$130.00	\$126.00	\$79.00	
Total Fees Task 3	\$0.00	\$10,400.00	\$0.00	\$1,264.00	\$11,664.00
Total Estimated Fee	\$2,052.00	\$138,320.00	\$28,000.00	\$20,224.00	\$188,596.00

TOTAL NOLTE CM PERSONNEL COSTS	\$188,596.00
VEHICLES (Leasing, maintenance, insurance, gas)	\$10,080
CELL PHONES, OFFICE SUPPLIES, AND MISC. EXPENDITURES	\$800
GRAND TOTAL	\$199,476.00