

**CONTRACT FOR CONSULTANT SERVICES BETWEEN
THE CITY OF WATSONVILLE AND HARRIS & ASSOCIATES, INC.**

THIS CONTRACT, is made and entered into this _____, by and between the **City of Watsonville**, a municipal corporation, hereinafter called "City," and **Harris & Associates, Inc.**, hereinafter called "Consultant."

WITNESSETH

WHEREAS, the City needs to obtain certain professional, technical and/or specialized services of an independent contractor to assist the City in the most economical manner; and

WHEREAS, Consultant has the requisite skill, training, qualifications, and experience to render such services called for under this Contract to City.

THE PARTIES HEREBY AGREE AS FOLLOWS:

SECTION 1. SCOPE OF SERVICES. Consultant shall perform those services as specified in detail in Exhibit "A," entitled "SCOPE OF SERVICES" which is attached hereto and incorporated herein.

SECTION 2. TERM OF CONTRACT. The term of this Contract shall be from execution of this contract for a period of three (3) years, subject to two (2) optional one-year extensions for a maximum term of five (5) years, inclusive.

SECTION 3. SCHEDULE OF PERFORMANCE. The services of Consultant are to be completed according to the schedule set out in Exhibit "B," entitled "SCHEDULE OF PERFORMANCE," which is attached hereto and incorporated herein. Consultant will diligently proceed with the agreed Scope of Services and will provide such services in a timely manner in accordance with the "SCHEDULE OF PERFORMANCE."

SECTION 4. COMPENSATION. The compensation to be paid to Consultant including both payment for professional services and reimbursable expenses as well as the rate and schedule of payment are set out in Exhibit "C" entitled "COMPENSATION," which is attached hereto and incorporated herein.

SECTION 5. METHOD OF PAYMENT. Except as otherwise provided in Exhibit "C," each month, Consultant shall furnish to the City a statement of the work performed for compensation during the preceding month. Such statement shall also include a detailed record of the month's actual reimbursable expenditures.

SECTION 6. INDEPENDENT CONSULTANT. It is understood and agreed that Consultant, in the performance of the work and services agreed to be performed by Consultant, shall act as and be an independent Consultant and not an agent or employee of City, and as an independent Consultant, shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights.

SECTION 7. ASSIGNABILITY. Consultant shall not assign or transfer any interest in this Contract nor the performance of any of Consultant's obligations hereunder, without the prior written consent of City, and any attempt by Consultant to so assign this Contract or any rights, duties or obligations arising hereunder shall be void and of no effect.

SECTION 8. INDEMNIFICATION.

To the full extent permitted by law (subject to the limitations of Civil Code section 2782.8 for any "design professional services" performed under this Contract), Consultant will indemnify, hold harmless, release and defend the City (including its officers, elected or appointed officials, employees, volunteers or agents) from and against any and all liability or claims (including actions, demands, damages, injuries, settlements, losses or costs [including legal costs and attorney's fees])(collectively "Liability") of any nature, to the extent arising out of, pertaining to, or relating to Consultant's negligence, recklessness, or willful misconduct in the performance of this Contract. In no event shall the cost to defend charged to the Consultant exceed the Consultant's proportionate percentage of fault. Consultant's indemnification obligations under this Contract are not limited by any limitations of any insurance held by Consultant, including, but not limited to, workers compensation insurance.

SECTION 9. INSURANCE.

A. Errors and Omissions Insurance. Consultant shall obtain and maintain in full force throughout the term of this Contract a professional liability insurance policy (Errors and Omissions), in a company authorized to issue such insurance in the State of California, with limits of liability of not less than One Million Dollars (\$1,000,000.00) to cover all professional services rendered pursuant to this Contract.

B. Auto and Commercial General Liability Insurance. Consultant shall also maintain in full force and effect for the term of this Contract, automobile insurance and commercial general liability insurance with an insurance carrier satisfactory to City, which insurance shall include protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from any actual occurrence arising out of the performance of this Contract. The amounts of insurance shall not be less than the following:

(1) Commercial general liability insurance, or equivalent form, with a combined single limit of not less than \$500,000.00 per occurrence. If such insurance contains a general aggregate limit, such limit shall apply separately to each project Consultant performs for City. Such insurance shall (a) name City, its appointed and elected officials, and its employees as insureds; and (b) be primary with respect to insurance or self-insurance programs maintained by City and (c) contain standard separation of insured's provisions.

(2) Business automobile liability insurance, or equivalent form, with a combined single limit of not less than \$500,000.00 per occurrence. Such insurance shall include coverage for owned, hired and non-owned automobiles.

C. Workers' Compensation Insurance. In accordance with the provisions of Section 3700 of the Labor Code, Consultant shall be insured against liability for Workers' Compensation or undertake self-insurance. Consultant agrees to comply with such provisions before commencing performance of any work under this Contract.

D. Proof of Insurance to City before Notice to Proceed to Work. Consultant shall satisfactorily provide certificates and endorsements of insurance to the City Clerk before Notice to Proceed to Work of this Contract will be issued. Certificates and policies shall state that the policy shall not be canceled or reduced in coverage without thirty (30) days written notice to City. Approval of insurance by City shall not relieve or decrease the extent to which Consultant may be held responsible for payment of damages resulting from services or operations performed pursuant to this Contract. Consultant shall not perform any work under this Contract until Consultant has obtained the required insurance and until the required certificates have been submitted to the City and approved by the City Attorney. If Consultant fails or refuses to produce or maintain the insurance required by these provisions, or fails or refuses to furnish City required proof that insurance has been procured and is in force and paid for, City shall have the right at City's election to forthwith terminate this Contract immediately without any financial or contractual obligation to the City. As a result of such termination, the City reserves the right to employ another consultant to complete the project.

E. Written notice. Contractor shall provide immediate written notice if (1) any insurance policy required by this Contract is terminated; (2) any policy limit is reduced; (3) or any deductible or self insured retention is increased.

SECTION 10. NON-DISCRIMINATION. Consultant shall not discriminate, in any way, against any person on the basis of age, sex, race, color, creed, national origin or disability in connection with or related to the performance of this Contract.

SECTION 11. TERMINATION.

A. City and Consultant shall have the right to terminate this Contract, without cause, by giving not less than ten (10) days written notice of termination.

B. If Consultant fails to perform any of its material obligations under this Contract, in addition to all other remedies provided by law, City may terminate this Contract immediately upon written notice.

C. The City Manager is empowered to terminate this Contract on behalf of City.

D. In the event of termination, Consultant shall deliver to City copies of all work papers, schedules, reports and other work performed by Consultant and upon receipt thereof, Consultant shall be paid in full for services performed and reimbursable expenses incurred to the date of termination.

SECTION 12. COMPLIANCE WITH LAWS. Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments. Consultant shall obtain and maintain a City of Watsonville business license during the term of this Contract.

SECTION 13. GOVERNING LAW. City and Consultant agree that the law governing this Contract shall be that of the State of California. Any suit brought by either party against the other arising out of the performance of this Contract shall be filed and maintained in the Municipal or Superior Court of the County of Santa Cruz.

SECTION 14. PRIOR CONTRACTS AND AMENDMENTS. This Contract represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Contract may only be modified by a written amendment.

SECTION 15. CONFIDENTIAL INFORMATION. All data, documents, discussions or other information developed or received by or for Consultant in performance of this Contract are confidential and not to be disclosed to any person except as authorized by the City Manager or his designee, or as required by law.

SECTION 16. OWNERSHIP OF MATERIALS. All reports, documents or other materials developed or received by Consultant or any other person engaged directly by Consultant to perform the services required hereunder shall be and remain the property of City without restriction or limitation upon their use.

SECTION 17. COVENANT AGAINST CONTINGENT FEES. The Consultant covenants that Consultant has not employed or retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure the Contract, and that Consultant has not paid or agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fees, commissions, percentage, brokerage fee, gift, or any other consideration contingent on or resulting from the award or making of this Contract, for breach or violation of this covenant, the City shall have the right to annul this Contract without liability, or in its discretion, to deduct from the Contract price or consideration or otherwise recover, the full amount of such fee, commission, percentage fee, gift, or contingency.

SECTION 18. WAIVER. Consultant agrees that waiver by City or any one or more of the conditions of performance under this Contract shall not be construed as waiver of any other condition of performance under this Contract.

SECTION 19. CONFLICT OF INTEREST.

A. A Consultant shall avoid all conflict of interest or appearance of conflict of interest in performance of this Contract. Consultant shall file a disclosure statement, if required by City Council Resolution, which shall be filed within thirty (30) days from the effective date of this Contract or such Resolution, as applicable.

B. No member, officer, or employee of the City, during their tenure, or for one (1) year thereafter, shall have any interest, direct or indirect, in this Contract or the proceeds thereof and Consultant agrees not to allow, permit, grant, transfer, or otherwise do anything which will result in such member, officer, or employee of the City from having such interest.

SECTION 20. AUDIT BOOKS AND RECORDS. Consultant shall make available to City, its authorized agents, officers and employees, for examination any and all ledgers and books of account, invoices, vouchers, canceled checks and other records or documents evidencing or related to the expenditures and disbursements charged to the City, and shall furnish to City, its authorized agents and employees, such other evidence or information as City may require with respect to any such expense or disbursement charged by Consultant.

SECTION 21. NOTICES. All notices shall be personally served or mailed, postage prepaid, to the following addresses, or to such other address as may be designated by written notice by the parties:

CITY

City Clerk's Office
275 Main Street, Suite 400
Watsonville, CA 95076
(831) 768-3040

CONSULTANT

Harris & Associates, Inc.
1401 Willow Pass Rd., Suite 500
Concord, CA 94520
(619) 200-6442

SECTION 22. EXHIBITS:

- Exhibit A: Scope of Services
- Exhibit B: Schedule of Performance
- Exhibit C: Compensation

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WITNESS THE EXECUTION HEREOF, on the day and year first hereinabove written.

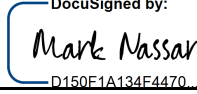
CITY

CITY OF WATSONVILLE

BY _____
Rene Mendez, City Manager

CONSULTANT

HARRIS & ASSOCIATES, INC.

BY  _____
Mark Nassar, Vice President

ATTEST:

BY _____
Irwin I. Ortiz, City Clerk

APPROVED AS TO FORM:

BY _____
Samantha W. Zutler, City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

The scope of services is as follows:

The scope of services to be provided by Consultant shall be by Task Orders issued by the Director for various professional services in furtherance of managing the City's Pavement Improvement Program. Concurrent with approval of this Agreement the City authorizes Task Order No. 1 for the first year of the initial three (3) year Term of this Agreement for performance of Pavement Program Manager professional services as described in the Consultant's proposal dated January 4, 2024, incorporated herein as attachment **Exhibit A-1**.

Task Order No. 1 shall specifically include the following sub-Tasks as identified in the Consultant's proposal with the addition of community engagement and outreach coordination with the City during Consultant's oversight of Task 1 as identified below:

- Task 1 – Pavement Master Plan (***and Community Engagement***)
- Task 2 – Plans, Specifications, & Estimates (PS&E) Consultant Oversight
- Task 3 – Construction Management & Inspection Team Oversight
- Task 4 – Construction Bid & Award Management
- Task 5 – Pavement Improvement Program Oversight

At the City's sole discretion, during the initial three (3) year term of this Agreement the Director may issue subsequent Task Orders to Consultant for additional professional services as deemed necessary by City upon mutual agreement by City and Consultant as to scope, schedule, and budget subject to the maximum compensation for the initial three (3) year term established herein on Exhibit "C," or as may be otherwise increased pursuant to an amendment to this Agreement approved by the City Council, extending the term thereof for subsequent one (1) year periods and increasing the compensation related thereto.

EXHIBIT "A-1"

Pavement Program Manager Proposal



5. UNDERSTANDING OF SCOPE OF WORK

As noted in the City's RFP, the Watsonville community supported Measure R to invest in critically needed public improvements throughout the City. As a result, the City anticipates as much as \$15 million to invest in capital projects to improve its streets. Selecting the most qualified Pavement Program Manager is a very important first step to executing the vision of Measure R, and the Harris team knows how to deliver this important service for the City.

TASK 1. PAVEMENT MASTER PLAN

As part of a separate RFP, the City is pursuing a consultant to develop its Pavement Master Plan (PMP). The PMP may also identify the Pavement Condition Index (PCI) for all street segments and update the City's StreetSaver database. The PMP will include an assessment of all existing curb ramps in the City to identify ADA compliance of existing curb ramps to aid in estimating pavement restoration projects where construction of new curb ramps is required for ADA compliance.

Marcus Fuller, PE, PLS will serve as the City liaison overseeing development of the PMP to validate:

- Street segments, surface areas, and lengths
- PCI rankings
- Recommended pavement treatments
- Annual funding allocations

Marcus will work with the PMP consultant to develop a construction strategy that maximizes the amount of streets that can be improved annually using timed construction strategies such as:

- Crack Seal Only Contracts
- Dig-Out Only Contracts
- Type 2 Slurry Seal vs MicroSurface Treatments
- HMA Overlay
- Cape Seal
- The three-layer system that the City has used during the past 15 years
- Neighborhood Zone Maintenance
- Arterial Street Priority Maintenance
- Cold In Place Recycling vs Dig Out/HMA Overlay Reconstruction Methods
- Deferred Neighborhood Maintenance for Arterial Street Pavement Priority Maintenance

**As noted in our SOQ, we believe there is value in selecting Harris to provide both the Pavement Program Manager services as well as develop the PMP for the City. Marcus can successfully deliver both of these important services for the City.*



As part of Metropolitan Transportation Commission (MTC) StreetSaver Spring Virtual User Week 2023, the Harris Asset Management team presented best practices that agencies can follow for preparing and updating a Pavement Management Program (PMP). Access the presentation by scanning the QR code.

EXHIBIT "A-1"

Pavement Program Manager Proposal



TASK 2. PLANS, SPECIFICATIONS, & ESTIMATES (PS&E) CONSULTANT OVERSIGHT

Harris will be responsible for developing and issuing annual RFP solicitations to onboard Civil & Traffic Engineering consultant firms to develop PS&E construction packages to build-out the recommendations of the PMP. RFPs will be released annually to fit program funding availability. Harris will be responsible for the following:

1. **RFP Development:** Using the recommendations of the PMP, City staff input, and engineering judgement, Harris will develop, issue RFPs on behalf of the City, and manage the consultant selection process to on-board an experienced Civil & Traffic Engineering consultant team annually to develop bid packages for the street resurfacing program.
2. **Management of PS&E Development:** Once the Civil & Traffic Engineering team is on-board, Harris will facilitate the PS&E development process on behalf of the City. We will provide design review assistance and manage plan review by City staff to bring about timely development of PS&E improvement plans. PS&E bid packages for dig-out repairs shall include site-specific dig out repair limits that are field verified and marked by the Civil & Traffic Engineering consultant team and transposed onto CAD-based files for PS&E development. The City will provide the City Engineer resources to aid the PS&E development teams to identify and field mark dig out repairs. Harris will participate and oversee the field dig-out repair identification process to properly provide Quality Assurance of PS&E improvement plans.

3. **Management of PS&E Consultant Team:** Harris will provide oversight of the PS&E Consultant Team(s) including participation in bi-weekly team meetings, review and approval of invoices for City processing and payment, and quality assurance review of deliverables concurrently with City staff.

Harris will release the first RFP for solicitation of PS&E Design Consultants (anticipated Spring 2024) once the PMP has been developed to identify the first year's pavement maintenance strategies. PS&E development is anticipated to begin in the Summer of 2024, so bid packages are ready for Fall 2024 and early Spring 2025 to seek the best possible construction pricing.

TASK 3. CONSTRUCTION MANAGEMENT & INSPECTION TEAM OVERSIGHT

Harris will be responsible for developing and issuing annual RFP solicitations to onboard Construction Management & Inspection Teams to provide support during the construction phase of the various pavement program implementation process. While the future Construction Management & Inspection teams will be responsible for overseeing the construction process, responsibility of the successful delivery for all construction projects will fall onto Harris.

The RFP for Construction Management & Inspection is anticipated to be released by the Summer of 2024 so that the Construction Management & Inspection team can participate in the PS&E development phase.

Harris will be responsible for overseeing the Construction Management & Inspection Team and will work closely with the team to be sure of a successful construction phase.

EXHIBIT “A-1”

Pavement Program Manager Proposal

TASK 4. CONSTRUCTION BID & AWARD MANAGEMENT

Harris will be responsible for issuing bids on behalf of the City for all PS&E Construction packages, including:

- **PS&E Construction Package Bid:** Harris will coordinate with City staff to advertise project bids and facilitate the construction award process with City Council.
- **Construction Bid Review:** Harris will review construction bids for compliance and conformance with PS&E requirements. We will conduct contractor and prior client references to confirm a probable quality service delivery for the City.
- **City Council Award Process:** Harris will write City Council staff reports and prepare presentation materials to help advise the City Council on the construction contract award process and recommendations.

THE HARRIS VALUE

The Harris team has been specifically assembled to meet the City's Strategic Goals

- Multi-disciplined team of program, project and construction management, and engineering leaders
- Track record in delivering capital projects
- Experts in alternative delivery methods

Harris' experience on similar programs culminates to provide the following benefits to the City:

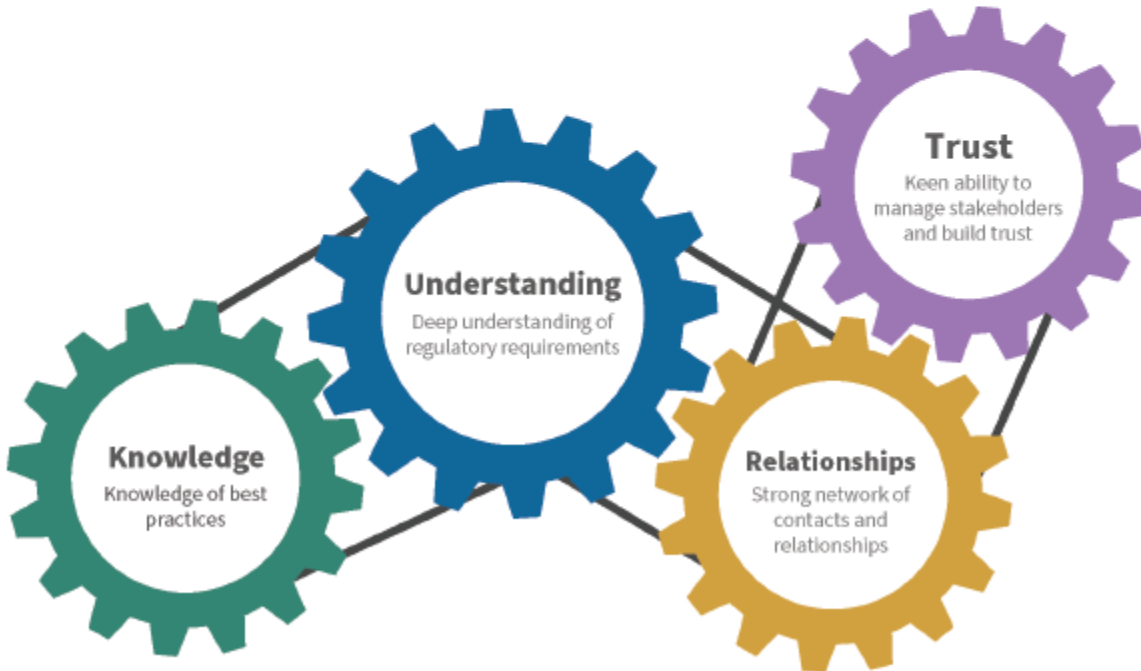


EXHIBIT “A-1”

Pavement Program Manager Proposal

TASK 5. PAVEMENT IMPROVEMENT PROGRAM OVERSIGHT

While the Construction Management & Inspection Team will provide direct oversight of construction activities, Harris will be an active participant in all construction activities related to the Pavement Program.

Harris will be responsible for:

- Quarterly updates to the City Council and commissions/committees as needed to provide transparency on the pavement program development and implementation.
- Development of City Council and commission/committee staff reports and presentation materials.
- Pavement Program budget oversight and reporting
- Participating in developing the following projects to advise the City’s Pavement Program:
 - **Active Transportation Plan:** The Active Transportation Plan will identify future bicycle and pedestrian facilities in the City. The future Bicycle and Pedestrian Network maps from this project will be used for the PS&E – Signage & Striping Plan development.
 - **Annual General Fund & CIP Budget Process:** Each spring, Harris will participate in the budget development process to help budget planned expenditures of the City’s Pavement Improvement Program.

“Harris has been efficiently managing the pavement management program and has demonstrated their ability to deliver every key milestone in a timely manner. They have an excellent track record with their expertise in the area.”

- Donald Chang, Senior Civil Engineer
City of Burlington

Other duties as needed related to the development and implementation of the City’s Pavement Improvement Program will be assigned via written Task Orders.

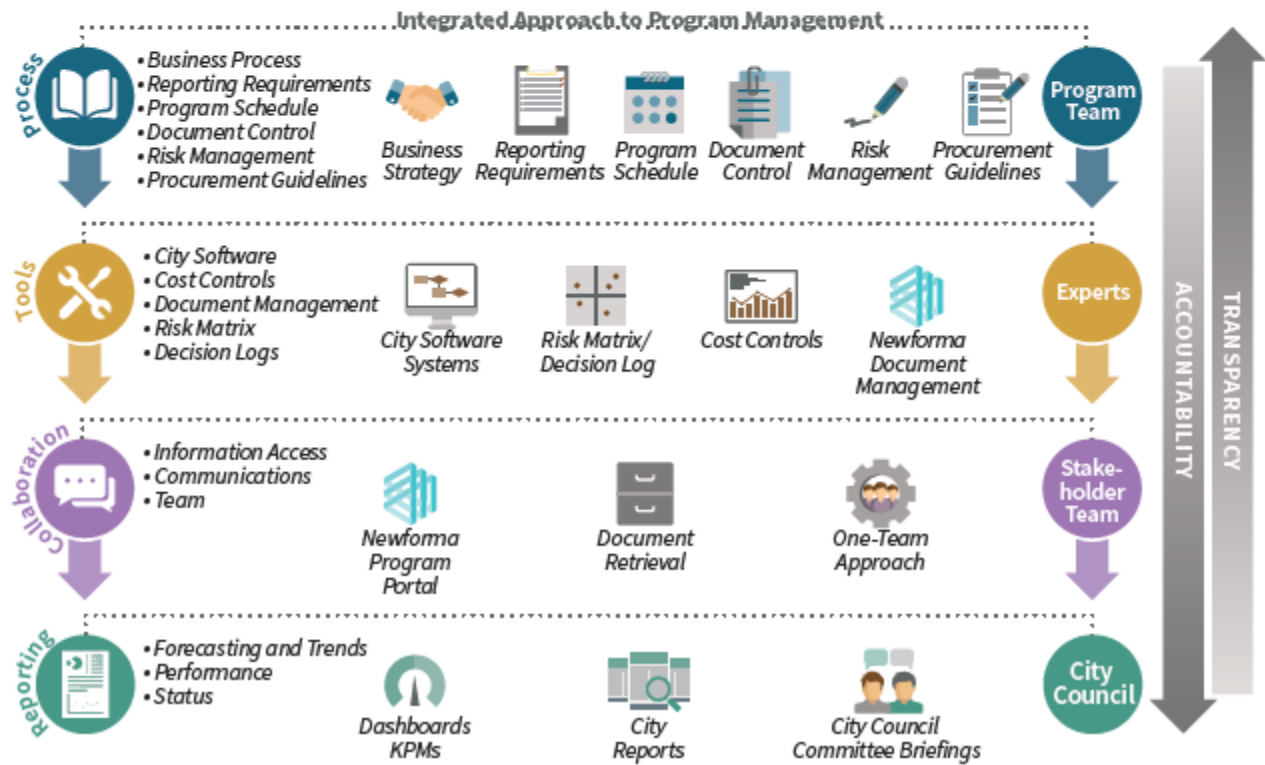


EXHIBIT "B"

SCHEDULE OF PERFORMANCE

Services shall commence immediately upon execution of this Contract. All services performed under the provisions of this Contract shall be completed in accordance with the following schedule:

Services provided hereunder for Task Order No. 1 for the initial three (3) year term for performance of Pavement Program Manager professional services as described in the Consultant's proposal dated January 4, 2024, shall commence immediately upon execution of this Contract, and shall be completed under the direction of the City pursuant to an "on-call" basis for completion of the various required professional services throughout the initial three (3) year term..

Services provided hereunder for subsequent Task Orders shall be completed in accordance with the schedule mutually agreed upon by the City and Consultant as identified on the Task Order.

EXHIBIT "C"
COMPENSATION

a. Total Compensation. The total obligation of City under this Contract for Task Order No. 1 for the initial three (3) year term for performance of Pavement Program Manager professional services in the Consultant's proposal dated January 4, 2024, incorporated herein as attachment **Exhibit A-1**, shall not exceed One Million Two Hundred Seventy-Five Thousand Dollars (\$1,275,000) unless otherwise increased pursuant to an amendment therefore approved by the City Council. This amount is established as a not to exceed budget based on Consultant's budgeted hours per year as identified in the following Table.

Task	Year 1	Year 2	Year 3
Task 1: PMP Updated/Community Engagement	\$ 118,015.00	\$ -	\$ -
Task 2: PS&E and CM Oversight (Pre-Con)	\$ 170,635.00	\$ 179,184.00	\$ 188,143.20
Task 3: Construction Bid/Award Management	\$ 43,343.00	\$ 45,167.00	\$ 47,425.35
Task 4: CM Oversight (Construction)	\$ 44,163.00	\$ 142,220.00	\$ 149,331.00
Task 5: Pavement Improvement Program Oversight	Included in Tasks 1 - 4		
Subtotal	\$ 376,156.00	\$ 366,571.00	\$ 384,899.54
Contingency Budget	\$ 37,615.60	\$ 36,657.10	\$ 38,489.95
Adjust Total	\$ 413,771.60	\$ 403,228.10	\$ 423,389.49
Rounded Budget	\$ 415,000.00	\$ 405,000.00	\$ 425,000.00
Reimbursable Expenses	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Total	\$ 425,000.00	\$ 415,000.00	\$ 435,000.00
Total Five Years			\$ 1,275,000.00

Job Classification	Year 1	Year 2	Year 3
Vice President:	52	52	52
Director:	608	480	480
Sr. Project Manager:	160	228	228
Project Manager:	376	408	408
Sr. Asset Mgmt. Tech.:	20	20	20
Asset Mgmt. Tech.:	20	20	20
Total Budgeted Hours:	1,236	1,208	1,208

Consultant shall not be obligated to provide more than the total budgeted hours during the initial three (3) year term of this Agreement without a subsequent amendment to this Agreement.

b. Basis for Payment. Payment(s) to Consultant for services performed under this Contract shall be made as follows and shall include payment for reimbursable expenses:

Team Member	Job Classification	Hourly Pay Rate
Mark Nassar	Vice President	\$335
Marcus Fuller	Director	\$325
Vijay Pulijal	Senior Project Manager	\$275
Randall Bliss	Principal	\$255
Marissa Baclig	Senior Asset Management Technician	\$125
Paul Muse	Senior Asset Management Technician	\$125
Matthew Dornbach	Asset Management Technician	\$100

Hourly pay rates are subject to change on January 1, 2025, and on the 1st of January every year thereafter, escalated at the Consumer Price Index published for the San Francisco-Oakland-Hayward area.

Subject to the Director's prior approval, Consultant may propose additional team members, job classifications and associated hourly pay rates as may be necessary in the completion of the required professional services.

The following apply to payment of reimbursable expenses:

1. Mileage reimbursement will be pursuant to the established IRS mileage rate for that given time period.
2. All subconsultant charges are subject to a 10% markup. Direct expenses, such as permitting fees, printing of plans and specifications, and other expenses in service of the city's project will be billed at cost plus 10% markup.
3. Attendance at meetings in service of the client will be billed on a Time and Materials basis pursuant to the billing rates for that time period.
4. Travel costs to attend in-person meetings at the City of Watsonville will be billed at direct cost, inclusive of car rentals, lodging, airfare, and per diem costs when such travel is required.

c. Payment Request. Consultant shall submit a request for payment for services on a monthly basis by letter to Director, or said Director's designated representative. Such request for payment shall cover the preceding monthly period during the term hereof, shall note the City's purchase order number for this Contract, shall contain a detailed listing of the total number of items or tasks or hours for which payment is requested, the individual dates on which such services were rendered, and invoices for reimbursable expenses, if any. Upon receipt in the Office of Director of said payment request, Director shall cause payment to be initiated to Consultant for appropriate compensation.