

PROFESSIONAL SERVICES AGREEMENT

BETWEEN THE CITY OF RIALTO AND

SPECS ENGINEERING GROUP, INC.

THIS PROFESSIONAL SERVICES AGREEMENT (herein "Agreement") is made and entered into this 14th day of January, 2025, by and between the City of Rialto, a municipal corporation and California general law city ("City"), and SPECS Engineering Group, Inc., a California corporation, ("Consultant"). City and Consultant are sometimes individually referred to as "Party" or collectively as "Parties".

RECITALS

A. City has sought, by Request for Qualifications No. 25-016, the performance of professional services related to "On-Call" Construction Management, Inspection, and Materials Testing Services, as defined and described particularly in Article 1 of this Agreement.

B. Following the submission of a proposal for the performance of the services defined and described particularly in Article 1 of this Agreement, Consultant was selected by the City to be eligible to perform those services as needed and requested by the City.

C. During the Term of this Agreement, the City may initiate or continue various projects for which Consultant's services may be used. For a given project, the City may solicit proposals from Consultant and other firms to perform services on that project, and the City may award a Task Order for the project based on availability, schedule, and cost proposal. Consultant understands and acknowledges that this Agreement provides no guarantee that Consultant will be selected to perform any volume or work for the City.

D. Pursuant to Chapter 2.48 of the Rialto Municipal Code, City has authority to enter into and execute this Agreement.

E. The Parties desire to formalize the selection of Consultant for the performance of those services defined and described particularly in Article 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. SERVICES OF CONSULTANT

1.1 Scope of Services.

Scope of Services. Consultant agrees to perform on-call professional architectural services associated with Statement of Qualifications No. 25-016 On-Call Construction Management, Inspection, and Materials Testing Services. The Scope of Services are more particularly described in Exhibit A attached hereto and incorporated herein. When the City desires to utilize Consultant for the Scope of Services, the City will issue a Task Order that includes a Scope of Services to be performed and the compensation to be paid for the Services within the Task Order. Upon the issuance of a Task Order, that Task Order shall immediately be incorporated into this Agreement as part of Exhibit "A" (e.g., the first Task Order will be Exhibit "A-1", the second Exhibit "A-2," etc.). Each Task Order is made a part of this Agreement by this reference and encompassed within the Scope of Services of this Agreement.

As a material inducement for City to enter into this Agreement, Consultant represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the Services required under this Agreement in a thorough, competent, and professional manner, it meets all local, state, and federal requirements in performing the Services, and it is experienced in performing the work and Services contemplated herein. Consultant shall at all times faithfully, competently, and to the best of its ability, experience, and talent, perform all Services described herein. Consultant covenants that it shall follow the highest professional standards in performing the work and Services required hereunder and that all materials will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase "highest professional standards" shall mean those standards of practice recognized by one or more professional firms performing similar work under similar circumstances.

1.2 Consultant's Proposal.

The Agreement between the Parties shall consist of the following: (1) this Agreement, including the Recitals; (2) the Scope of Services, including all Task Orders; (3) the City's Request for Qualifications No. 25-016; and, (4) the Consultant's signed, original proposal submitted to the City ("Consultant's Proposal"), (collectively referred to as the "Contract Documents"). The Contract Documents and Accepted Proposal shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the Scope of Services, Consultant's Proposal, and/or this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Consultant shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the City and any federal, state, or local governmental entity having jurisdiction in effect at the time service is rendered. In addition to the terms, conditions, and performance obligations for the Work set forth in this Contract, Consultant must also comply with the federal contract terms, conditions, rules, and regulations set forth in the attached Exhibit B ("**Federal Contract Terms, Conditions, and Regulations**").

1.4 Licenses, Permits, Fees, and Assessments.

Consultant shall obtain, at its sole cost and expense, such licenses, permits, and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant's performance of the services required by this Agreement, and shall indemnify, defend, and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes penalties, or interest levied, assessed, or imposed against City hereunder.

1.5 Familiarity with Work.

By executing this Agreement, Consultant warrants that Consultant (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Consultant warrants that Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. If Consultant discovers any latent or unknown conditions that will materially affect the performance of the services hereunder, then Consultant shall immediately inform the City of such fact and shall not proceed except at City's risk until written instructions are received from the Contract Officer.

1.6 Care of Work.

Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies, and/or other components thereof, to prevent losses or damages, and shall be responsible for all such damages to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.7 Prevailing Wages.

Consultant is aware of the requirements of California Labor Code Section 1720, *et seq.* and 1770, *et seq.*, as well as California Code of Regulations, Title 8, Section 1600, *et seq.*, ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "Public Works" and "Maintenance" projects. It is the understanding of City and Consultant that the Prevailing Wage Laws may not apply to this Agreement because the Agreement does not involve any services subject to prevailing wage rates pursuant to the California Labor Code or regulations promulgated thereunder. However, Consultant shall defend, indemnify, and hold City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

1.8 Further Responsibilities of Parties.

Both Parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both Parties agree to act in good faith to execute all instruments, prepare all documents, and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless specified in this Agreement, neither Party shall be responsible for the service of the other.

1.9 Additional Services.

City shall have the right at any time during the performance of the Services under an individual Task Order, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to, or deducting from said work. No such extra work or change may be undertaken unless a written order is first given by the Contract Officer to the Consultant, describing in detail the extra work or change and the reason(s) therefor and incorporating therein any adjustment in (i) the Task Order sum for the actual cost of the extra work or change, and/or (ii) the time to perform the Task Order, which said adjustments shall be reflected in an amendment to the Task Order subject to the written approval of the Parties. Any amendment to a Task Order shall be reviewed and approved by the City Manager. In accordance with Rialto Municipal Code section 2.48.180, increases in compensation for a Task Order may be approved by the City Manager provided: (a) the initial Task Order amount was less than One Hundred Thousand Dollars (\$100,000) and the amended Task Order sum when considering any or all amendments will not exceed One Hundred Thousand Dollars (\$100,000); or (b) the Task Order was approved by the City Council and the increases in compensation taken either separately or cumulatively do not exceed One Hundred Thousand Dollars (\$100,000). Any greater increases, taken either separately or cumulatively must be approved by the City Council. Payment for additional services rendered by Consultant under a given Task Order requires the submission of the actual costs of Consultant's performance of the extra work with the invoice(s) for the extra work claim(s), as provided in Section 2.4. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor. City may in its sole and absolute discretion have similar work done by other contractors.

No claim for an adjustment in the contract amount or time for performance shall be valid unless the procedures established in this Section are followed.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT

2.1 Contract Sum.

City and Consultant acknowledge and agree that the Services required by this Agreement will vary dependent upon the number, type, and extent of the Services the Consultant shall provide; and no guarantee of the extent or the type of Services required of Consultant under the terms of this Agreement is made by the City. The annual or total

level of Services required by this Agreement is unknown, and may significantly increase or decrease from year to year. In acknowledgement of the fact that the number and type of projects requiring the Consultant's Services has not been identified for this Agreement, City and Consultant acknowledge and agree that a specific "Maximum Contract Amount" shall be imposed on each separate project that the City may assign Consultant as provided in Section 1.9 and in this Section 2.1. Each such separate project shall be identified as a Task Order authorized by the City Manager or designee as provided in this Section 2.1. The Maximum Contract Amount of this Agreement is undefined, and is subject to the number and type of projects requiring the Consultant's Services throughout the duration of the term of this Agreement, if any. Consultant's compensation shall be limited to the Maximum Contract Amount identified on each separate, individually authorized Task Order corresponding to a project requiring the Services of the Consultant. Subsequent approval of individual Task Orders shall be approved in accordance with the provisions of Chapter 2.48 of the Rialto Municipal Code.

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services; (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, provided that time estimates are provided for the performance of sub tasks, but not exceeding the Contract Sum; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Consultant is required to attend additional meetings to facilitate such coordination, Consultant shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Unless otherwise specified by the Task Order, each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate Services performed by more than one person.

City may independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within thirty (30) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission.

2.5 No Waiver.

Review and payment by City to Consultant of any invoice for work performed by Consultant pursuant to this Agreement shall not be deemed a waiver of any defects in work performed by Consultant or of any rights or remedies provided herein or any applicable law.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

The Services authorized by each Task Order shall be completed pursuant to the schedule stated in the Task Order. Should the Services not be completed pursuant to that schedule, the Contractor shall be deemed to be in Default of this Agreement. The City, in its sole discretion, may choose not to enforce the Default provisions of this Agreement and may instead allow Contractor to continue performing the Services.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the Services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall, within ten (10) days of the commencement of such delay, notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer shall extend the time for performance in accordance with the procedures set

forth in Section 1.9. The Contract Officer's determination shall be final and conclusive upon the Parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term.

Subject to the termination provisions of this Agreement, the Term of this Agreement is for four years commencing on the date first ascribed above. City may extend the Term of this Agreement two times for one year each time, for a total potential term of six years.

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Consultant.

The following principals of Consultant ("Principals") are hereby designated as being the principals and representatives of Consultant authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

_____ Jose Burbano (Name)	_____ President (Title)
---------------------------------	-------------------------------

It is expressly understood that the experience, knowledge, capability, and reputation of the foregoing Principals were a substantial inducement for City to enter into this Agreement. Therefore, the Principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. All personnel of Consultant, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the Principals may not be replaced nor may their responsibilities be substantially reduced by Consultant without the express written approval of City. Additionally, Consultant shall utilize only competent personnel to perform services pursuant to this Agreement. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires to reassign any staff or subcontractor of Consultant, Consultant shall, immediately upon a Reassign Notice from City of such desire of City, reassign such persons or persons.

4.2 Status of Consultant.

Consultant shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care, or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

4.3 Contract Officer.

The Contract Officer shall be the City Manager or other such person designated by the City Manager. It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the Services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.4 Independent Contractor.

Neither the City nor any of its employees shall have any control over the manner, mode, or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Consultant's employees, servants, representatives, or agents, or in fixing their number, compensation, or hours of service. Consultant shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant.

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability, and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control

of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

ARTICLE 5. INSURANCE, INDEMNIFICATION AND BONDS

5.1 Insurance Coverages.

The Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees, and agents of City:

(a) Comprehensive General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury, and property damage. The policy of insurance shall be in an amount not less than \$1,000,000.00 per occurrence or if a general aggregate limit is used, then the general aggregate limit shall be twice the occurrence limit.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure, and provide legal defense for both the Consultant and the City against any loss, claim, or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Consultant in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than \$1,000,000. Said policy shall include coverage for owned, non-owned, leased, and hired cars.

(d) Professional Liability. Professional liability insurance appropriate to the Consultant's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of, or related to services performed under this Agreement. The insurance must be maintained for at least 5 consecutive years following the completion of Consultant's services or the termination of this Agreement. During this additional 5-year period, Consultant shall annually and upon request of the City submit written evidence of this continuous coverage.

(e) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements.

(f) Subcontractors. Consultant shall include all subcontractors as

insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

5.2 General Insurance Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees, and agents as additional insureds, and any insurance maintained by City or its officers, employees, or agents shall apply in excess of, and not contribute with, Consultant's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees, and agents and their respective insurers. The insurance policy must specify that where the primary insured does not satisfy the self insured retention, any additional insured may satisfy the self-insured retention. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any Party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Consultant shall, prior to the cancellation date, submit new evidence of insurance in conformance with Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the Consultant has provided the City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City. City reserves the right to inspect complete, certified copies of all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

City, its respective elected and appointed officers, directors, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities Consultant performs; products and completed operations of Consultant; premises owned, occupied or used by Consultant; or automobiles owned, leased, hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, employees or volunteers. 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.

Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims. The Consultant agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which the Consultant may be held responsible for the payment of damages to any persons or property resulting from the Consultant's activities or the activities of any person or persons for which the Consultant is otherwise responsible nor shall it limit the Consultant's indemnification liabilities as provided in Section 5.3.

In the event the Consultant subcontracts any portion of the work in compliance with Section 4.5 of this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Consultant is required to maintain pursuant to Section 5.1, and such certificates and endorsements shall be provided to City.

5.3 Indemnification.

To the full extent permitted by law, Consultant agrees to indemnify, defend, and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations, or activities provided herein of Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Consultant is legally liable ("indemnitors"), arising from Consultant's reckless or willful misconduct, or arising from Consultant's or indemnitors' negligent performance of or failure to perform any term, provision, covenant, or condition of this Agreement, and in connection therewith:

(a) Consultant will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

(b) Consultant will promptly pay any judgment rendered against the City, its officers, agents, or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Consultant hereunder; and Consultant agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Consultant for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Consultant hereunder, Consultant agrees to pay to the City, its officers, agents, or employees, any and all costs and expenses incurred by the City, its officers, agents, or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

Consultant shall incorporate similar, indemnity agreements with its subcontractors and if it fails to do so Consultant shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Consultant in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence,

recklessness, or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

Notwithstanding the foregoing, to the extent that the Consultant's Services are subject to California Civil Code Section 2782.8, the above indemnity, including the cost to defend, shall be limited to the extent required by Civil Code Section 2782.8.

5.4 Sufficiency of Insurer or Surety.

Insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City ("Risk Manager") due to unique circumstances. If this Agreement continues for more than 3 years duration, or in the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Consultant agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from the Risk Manager Consultant.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Consultant shall keep, and require subcontractors to keep, such ledgers books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the "books and records"), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of 3 years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Consultant's business, custody of the books and records may be given to City, and access shall be provided by Consultant's successor in interest.

6.2 Reports.

Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Consultant hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Consultant is

providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant, and Consultant's guarantee and warranties shall not extend to such use, reuse or assignment. Consultant may retain copies of such documents for its own use. Consultant shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom.

6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(c) If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Consultant's conduct.

(d) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or subcontractors be served with any summons, complaint,

subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed, and governed both as to validity and to performance of the Parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of San Bernardino, State of California, or any other appropriate court in such county, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, Eastern Division.

7.2 Disputes; Default.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall proceed with payment on the invoices only when the default is cured. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

7.3 Retention of Funds.

Consultant hereby authorizes City to deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such

withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver.

Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

7.6 Legal Action.

In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct, or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

7.7 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Consultant, except that where termination is due to the fault of the Consultant, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Consultant reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Consultant may determine. Upon receipt of any notice of termination, Consultant shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Consultant has initiated termination, the Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be

approved by the Contract Officer, except as provided in Section 7.3. In the event the Consultant has initiated termination, the Consultant shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating Party need not provide the non-terminating Party with the opportunity to cure pursuant to Section 7.2.

7.8 Termination for Default of Consultant.

If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

Additionally, pursuant to Rialto Municipal Code section 2.48.145, Consultant represents that it has disclosed whether it or its officers or employees is related to any officer or employee of the City by blood or marriage within the third degree which would subject such officer or employee to the prohibition of California Government Sections

87100 et. seq., Fair Political Practices Commission Regulation Section 18702, or Government Code Section 1090. To this end, by approving this Agreement, Consultant attests under penalty of perjury, personally and on behalf of Consultant, as well its officers, representatives, that it/they have no relationship, as described above, or financial interests, as such term is defined in California Government Section 87100 et. seq., Fair Political Practices Commission Regulation Section 18702, or Government Code Section 1090, with any City of Rialto elected or appointed official or employee, except as specifically disclosed to the City in writing.

8.3 Covenant Against Discrimination.

Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, gender identity, marital status, national origin, ancestry, or other protected class in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, sexual orientation, gender, gender identity, marital status, national origin, ancestry, or other protected class.

8.4 Unauthorized Aliens.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorney's fees, incurred by City.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Facilities and Equipment.

Except as otherwise provided, Consultant shall, at its own cost and expense, provide all facilities and equipment necessary to perform the services required by this Agreement. City shall make available to Consultant only physical facilities such as desks, filing cabinets, and conference space ("City Facilities"), as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of City. The location, quality, and time of furnishing of City Facilities shall be in the sole discretion of City. In no event shall City be required to furnish any facilities that may involve incurring any direct expense, including but not limited to computer, long distance telephone, network data, internet, or other communication charges, vehicles, and reproduction facilities.

9.2 Payment of Taxes.

Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any federal and state taxes.

9.3 Notices.

All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, sent by pre-paid First Class U.S. Mail, registered or certified mail, postage prepaid, return receipt requested, or delivered or sent by facsimile with attached evidence of completed transmission, and shall be deemed received upon the earlier of (i) the date of delivery to the address of the person to receive such notice if delivered personally or by messenger or overnight courier; (ii) three (3) business days after the date of posting by the United States Post Office if by mail; or (iii) when sent if given by facsimile. Any notice, request, demand, direction, or other communication sent by facsimile must be confirmed within forty-eight (48) hours by letter mailed or delivered. Other forms of electronic transmission such as e-mails, text messages, instant messages are not acceptable manners of notice required hereunder. Notices or other communications shall be addressed as follows:

If to City: City of Rialto
150 S. Palm Ave.
Rialto, CA 92376
Attn: City Manager
Tel: (909) 820-2525
Fax: (909) 820-2527

With copy to: Burke, Williams & Sorensen, LLP
1770 Iowa Avenue, Suite 240
Riverside, CA 92507
Attn: Eric S. Vail, City Attorney
Tel: (951) 788-0100
Fax: (951) 788-5785

If to Consultant: SPECS Engineering Group, Inc.
135 S. State College Blvd. #200
Brea, CA 92821
Attn: Jose Burbano
Tel: (626) 497-8124

Either Party may change its address by notifying the other Party of the change of address in writing.

9.4 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either Party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.5 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.6 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the Parties. It is understood that there are no oral agreements between the Parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the Parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City. The Parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.7 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the Parties hereunder unless the invalid provision is so material that its invalidity deprives either Party of the basic benefit of their bargain or renders this Agreement meaningless.

9.8 Corporate Authority.

The persons executing this Agreement on behalf of the Parties hereto warrant that (i) such Party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said Party, (iii) by so executing this Agreement, such Party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said Party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Agreement on the date first written above.

CITY:

CONSULTANT:

CITY OF RIALTO, a municipal corporation

SPECS ENGINEERING GROUP, INC., a California corporation

By: _____
G. Michael Milhiser
Interim City Manager

By: _____
Name
Title

ATTEST:

By: _____
Barbara A. McGee
City Clerk

By: _____
Name
Title

APPROVED AS TO FORM:

Burke, Williams & Sorensen, LLP

By: _____
Eric S. Vail
City Attorney

****Two signatures are required if a corporation****

EXHIBIT "A"

SCOPE OF SERVICES

Consultant shall provide On-Call Construction Management, Inspection, and Materials Testing Services. Specifically, Consultant shall provide those services as outlined in its proposal dated November 26, 2024, included on the following pages.

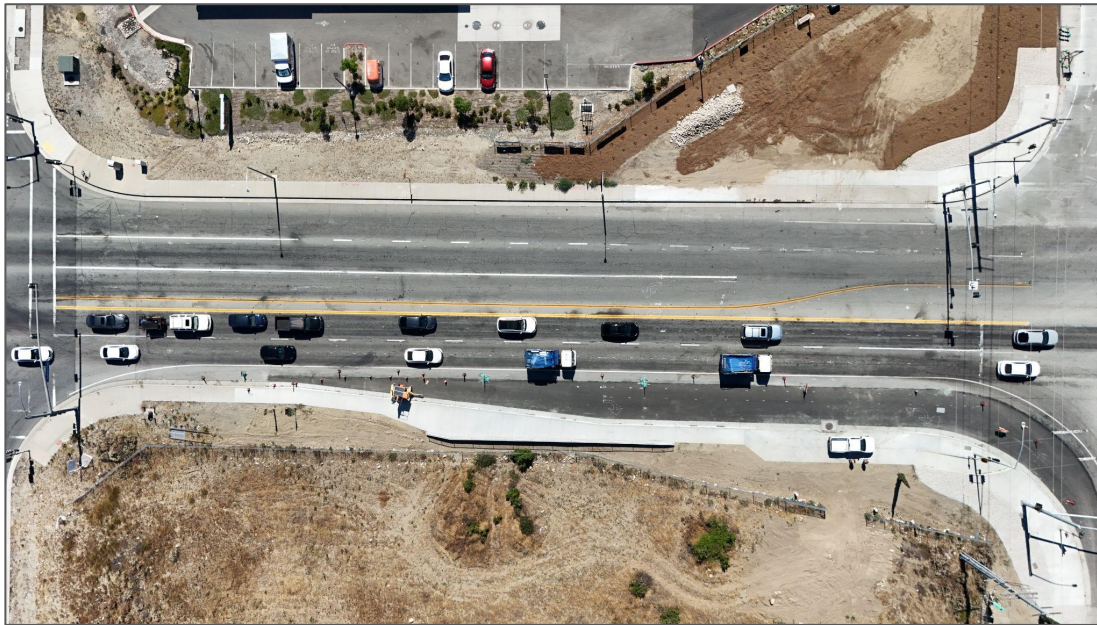
Section C: Understanding On-Call Construction Management, Inspection, and Materials Testing Services



PROJECT DESCRIPTION

The City of Rialto is seeking on-call construction management, inspection, and materials testing services for various city projects, capital improvement initiatives, and private land development within the city. Our team’s services will be applied to the following types of projects:

- Electrical and Lighting Improvements
- Landscaping Improvements
- Sewer Improvements
- Storm Drainage Improvements
- Street Improvements
- Traffic Signal Improvements
- Private Residential Developments, Subdivisions, Commercial Shopping Centers, etc.
- Land Development



The City of Rialto will utilize on-call contracts to provide efficient and flexible support, ensuring timely completion of various projects. At SEG, our team possesses the necessary skills to meet all project requirements and understand the specifications, enhancing your staff’s ability to deliver excellent service to Rialto residents. Our team offers a wide range of construction management and engineering services, all developed through experience on several similar projects.

To support both the City and its residents, our Lead Representative/Resident Engineer has assembled a team of qualified professionals, ensuring the right resources are available whenever the project demands them.

Section C: Understanding On-Call Construction Management, Inspection, and Materials Testing Services



METHODOLOGY FOR SCOPE OF SERVICES

Task 2: Construction

This phase encompasses construction administration, construction management, observation and inspection, scheduling, survey coordination, public notifications, and coordination of materials testing, among other tasks. Consultant management services will adhere to the City standards for public works construction, the Local Assistance Procedures Manual when necessary, and the Construction Manual when applicable. Throughout the construction phase, SPECS Engineering Group will provide:

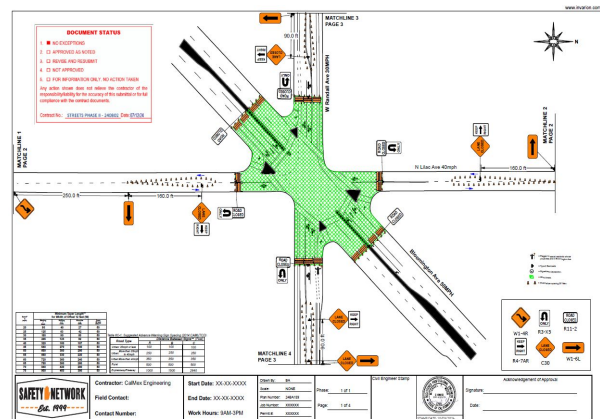
Submittal Review: As we prepare to begin construction, our CM will verify that all submittals are approved and ready to go which includes traffic control, updated estimates and shop drawings. By reviewing all submittals, our team can ensure that the contractor's submittals comply with the plans, specifications and estimates.

Weekly Meetings and Monthly Status Reports: SEG will coordinate and conduct weekly meetings with the agency and contractor in order to discuss any issues, progress, contract change orders, submittals, RFIs, safety and the project schedule. Our inspectors will attend the weekly meetings to coordinate and resolve any problems found in the job site. These weekly meetings will provide meeting minutes to then be distributed to all participating parties and documented under the CAT filing system. In addition, our CM will also provide a weekly statement of working days and monthly status reports that will provide insight on any cost issues, any contract change orders, and project progress with photo documentation for the agency. Weekly status reports will assist with labor compliance verifications to cross reference with daily reports.

Schedule Review: SPECS Engineering Group will review and approve the contractor's CPM schedule, in accordance with the City's delegation of authority. SEG will use **Primavera (P6)** to review, monitor, and analyze the contractor's schedule. The team will assess the contractor's planned schedule for compliance with specifications and evaluate the reasonableness of the sequence and duration of activities. Our CM will coordinate with the City to negotiate any necessary time extensions. Weekly, the contractor's 3-week look-ahead schedules will be compared to the CPM schedule, and progress will be assessed. The contractor will receive written notification of any identified schedule delays or slippages that could affect the overall completion date. Additionally, monthly schedule updates will be reviewed to track work progress and any critical activities or changes in logic by the contractor.

SWPPP: SEG will monitor and verify that the Contractor maintains compliance with the Storm Water Quality Control Plans and inspect the Contractor's Storm Water Pollution Prevention and BMP responsibilities, amendments will be filed and assure implements their construction staging of equipment.

Traffic Control: Our team will review the Traffic Control plan ensuring the continuous and safe movement of traffic through the project and adjacent city, county, rural and public roads during both morning and afternoon peak hours. By following the guidelines outlined in the MUTCD will involve assessing haul and delivery routes, maintaining access to local business, ensuring emergency vehicle access at all times, facilitating ingress and egress to the project site, accommodating pedestrian travel, and managing detours or delays that could impact public or business safety and convenience. It is essential to guarantee safe and uninterrupted travel through the affected areas at all times, considering various factors and users, including school children, commuters, seasonal variations, delivery schedules, business access, and adjacent residential traffic flows. Traffic patterns for both vehicles and pedestrians on local streets and trails will be continuously monitored throughout construction, with adjustments made as needed to minimize or avoid localized impacts.



Section C: Understanding On-Call Construction Management, Inspection, and Materials Testing Services



METHODOLOGY FOR SCOPE OF SERVICES

Task 2: Construction (Cont.)

Job Site Safety: At SPECS Engineering Group, we make job site safety a top priority to not only workers, but the public as well. Additionally, SEG will enforce all state and federal regulations pertaining to construction activities, including those outlined by the Occupational Safety and Health Administration, ensuring compliance with LAPM standards. SPECS Engineering Group recommends that we and the City collectively:

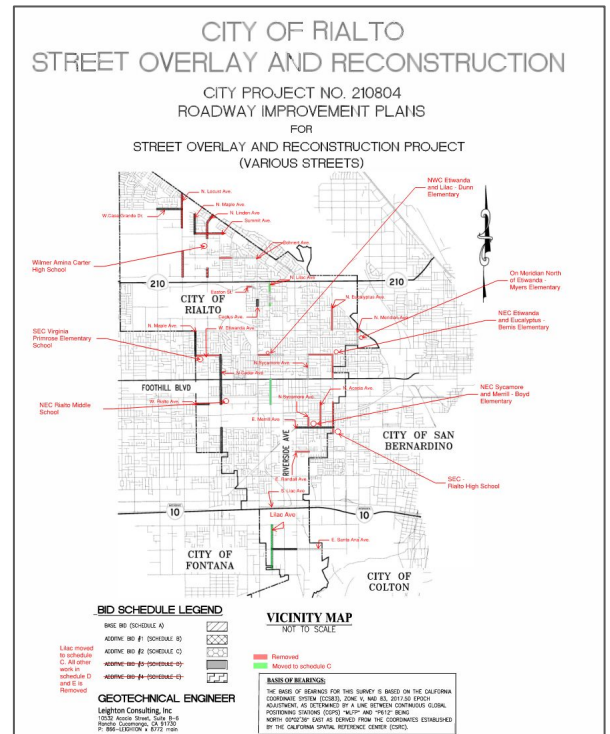
- Provide the project with guidelines for implementing a safety system that ensures strict compliance with statutory requirements.
- Aim to prevent personal injury and property damage, therefore eliminating human suffering and reducing monetary loss
- Establish communication lines, responsibility, and accountability for the safety system

Change Orders: SPECS Engineering Group will review potential change orders for contractual and technical merit. Prepare independent cost estimate and schedule analysis of work. Negotiate and prepare change orders for execution. SEG will not issue any change order to the contractor without the City's prior approval. For any changes made within the City or Caltrans ROW, all change orders will be submitted to the respective agency in coordination with the City for their review and approval prior to issuance to the contractor.

Progress Payments: Our team will capture all quantities and measurements throughout every operation to provide for work completed when submitting progress payments. Our CM will review the contractor's progress payment applications to verify that work being charged has been completed and track monthly progress. If any differences are caught upon review, the Contractor will be notified for any changes or negotiation prior to processing the payments.

Labor Compliance: The Resident Engineer and support staff will ensure adherence to contract labor requirements through early surveillance and proactive monitoring, ensuring compliance throughout the project duration. EEO interviews will be conducted for every classification, DIR reporting, weekly status reports, and certified payrolls spot checks to ensure labor compliance.

RFI Coordination: SPECS Engineering Group will receive, process, track, and document project Requests for Information (RFI) along with their responses. An RFI log will be established at the project's outset and continuously updated by our assigned staff. This log will specify the parties responsible for review and response. SPECS Engineering Group will provide timely responses to RFIs related to construction issues, in accordance with contract requirements. All responses prepared by the Construction Manager or Principal Inspectors will be shared with the City, which will be copied on all RFIs. When necessary, we will coordinate and hold meetings with relevant parties to discuss and resolve any complex RFIs. In addition, our inspectors will aid by providing on field measurements and documentation that would be necessary to address the RFI information.



Section C: Understanding On-Call Construction Management, Inspection, and Materials Testing Services



METHODOLOGY FOR SCOPE OF SERVICES

Task 3: Construction Inspection

SPECS Engineering Group Inc. is dedicated to providing reliable and thorough construction services designed to ensure that every project adheres to the highest quality standards. With a commitment to excellence, we understand the critical importance of meticulous oversight throughout the construction process. Our comprehensive construction inspection services include:

Review and Documentation: The SEG team will designate our inspectors to review plans, contracts, permits, and specifications thoroughly. The team will also prepare a checklist for personnel, ensuring that all necessary documents are readily available when conducting inspections. In addition, our team will provide daily updates on the project progress by submitting a daily inspector report and photo logs of the operations going on each day.

Field Monitoring and Inspection: The team will have a field investigation by conducting an initial walkthrough to familiarize ourselves with the site and surroundings. Daily inspections will be conducted with inspectors monitoring the construction activities and verifying compliance with plans and safety requirements. In order to maintain consistency, the team will use inspection checklists. The inspectors will also track the construction progress by keeping photographic records of all the work that goes on each day. In the case of any non-conformance occurring, our inspectors are trained to document and report non-compliant work promptly and ensure corrective actions. Logs will be created to track adherence to safety and environmental regulations.



Coordination and Communication: The SPECS inspectors will set a consistent time each day to meet with the contractor and review the work plan, expected tasks and any concerns. In addition, regular meetings will be scheduled with the project manager, contractor and subcontractors with the use of organized agendas to go over project status and updates. In the case of someone not being able to make it to the meeting, our team is able to utilize communication tools such as Microsoft Teams to conduct meetings. Our team ensures that our communication plan will provide timely updates and clear lines of reporting with our office engineers managing correspondence.

Progress & Quality Control: Our inspector and engineers will meet with the contractor each morning to discuss planned activities and log the project progress. Our inspectors will continuously check on-site work throughout the day to compare progress with the plans. Our team will overlook public outreach by keeping a distribution log for notices to ensure that the contractor distributes notices and places signs as needed prior to starting the workday. Templates will be prepared for quantity tracking and progress payment reports to document all change requests, measurements and validate quantities to ensure progress payments are accurate.

Section C: Understanding On-Call Construction Management, Inspection, and Materials Testing Services



METHODOLOGY FOR SCOPE OF SERVICES

Task 3.1: Typical Daily Tasks for Inspection

SEG's inspectors capture all daily construction operations on Caltrans form CEM-4601. These daily reports assist with the proper documentation required by all contracts, tracks the work completed by the contractor on a daily basis, detailing the specific items of work performed. This includes labor, materials, equipment used, and the progress made each day.

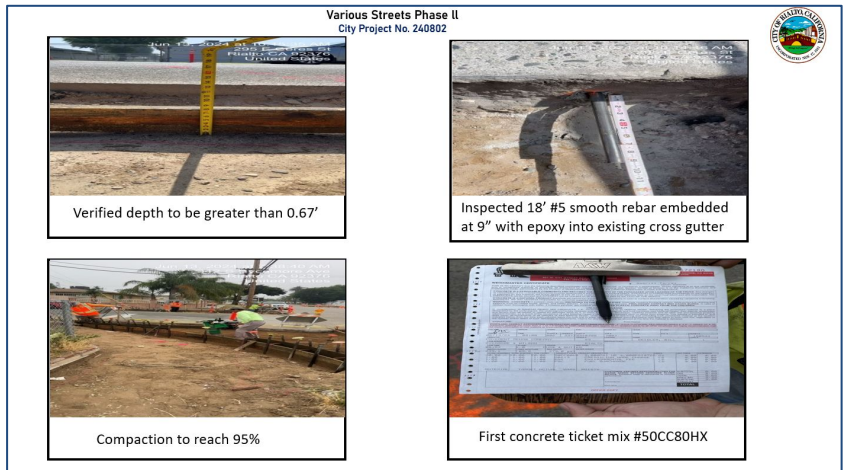
By documenting the tasks completed, it provides a clear record of how the project is progressing and helps assess whether the contractor is adhering to the schedule. This form also assists with labor compliance for the various crafts of labor and operators, tracks all changes to plans are documented. This report will be provided to the Agency at the completion of the project.

Our office engineers file and organize documents based on CAT 46 per the Caltrans Construction Manual. In these reports we provide a description of the operations going on, the weather conditions, a list with all contractor/subcontractor personnel, equipment, and calculations/quantities measured on the field. We submit over all CAT files where our admin reports have been filed accordingly.

SEG inspectors capture all quantities and field measurements throughout every item of work per the Engineers bid list. Our inspectors are equipped with all proper tools and equipment, to ensure accurate field measurements. All quantities are recorded electronically on Caltrans form CEM-4801, with charts and snipped areas from AutoCAD or Bluebeam software. This documentation along with photos create a strong paper trail and backup for progress payments. In the event of a dispute, claim, or future review, this thorough documentation can provide the necessary justification to support decisions or validate quantities. Supporting documentation is systematically attached to the corresponding bid item numbers, ensuring a comprehensive and organized record of all measured quantities. They are agreed or compared to the contractors numbers, hence; provides back up documentation for the monthly progress payments, at end of the month. CEM 4801 is filed under CAT 48 and 61 for the estimate.

SPECS Engineering Group's inspectors provide photo records and pre-construction video/photos. This task is crucial component for accurately documenting the progress of construction and ensuring compliance with the contract plans & specifications. These records serve as an additional layer of documentation, supporting the written reports and forms like CEM-4801.

Each photo contains descriptive information & location timestamp to aid in creating a comprehensive photo log, cross referencing the proper stationing and offset detailed on the project plans.



Section C: Understanding On-Call Construction Management, Inspection, and Materials Testing Services



METHODOLOGY FOR SCOPE OF SERVICES

Task 4: Post-Construction

Final Inspection and Punch List: As a project nears completion, Specs Engineering Group will conduct a walkthrough to identify and document any outstanding work required by the contract documents. An itemized punch list with its corresponding log will be created and provided to the Contractor for resolution and tracking purposes. Once the Contractor has addressed all the items on the punch list, a final walkthrough will be scheduled. If the City is satisfied that all issues have been resolved, the Contractor will receive a letter of acceptance, and final payment will be authorized. Throughout this process, Specs Engineering Group will collaborate with all project stakeholders during final inspections to ensure their acceptance of the improvements as required by the agency.

Redlines and As-Builts: SEG will keep a full-size set of plans for the purpose of creating as-built plans will be updated to accurately reflect the constructed elements, including any authorized modifications made by the design engineer and adjustments resulting from approved change orders. All changes will be highlighted in red. Upon contract acceptance, these updated plans will be submitted to the Agency for inclusion in the final as-built documents.

Project Close-Out: Upon completion of the work and resolution of all punch items, SEG will issue a letter of acceptance, officially releasing the Contractor from any further responsibilities related to the project.

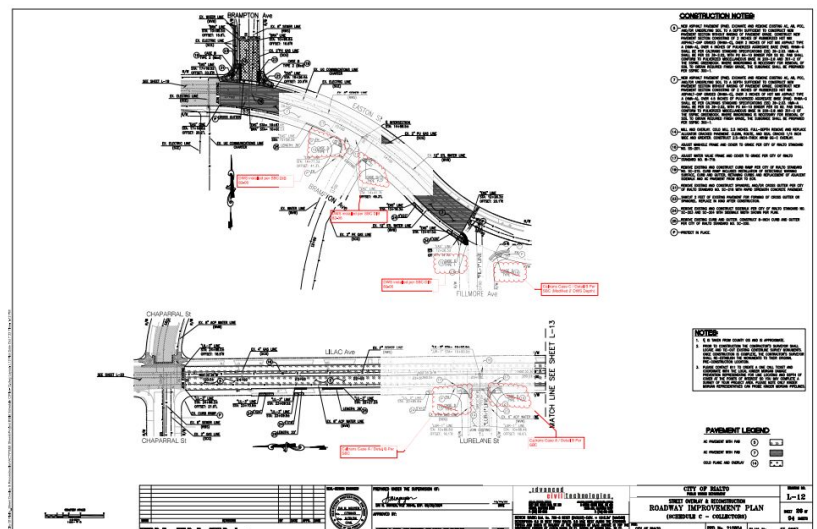
The project close-out phase will involve several key steps:

1. Resolving any outstanding claims and providing necessary documentation.
2. Recommending final payment approval for the Contractor to the City.
3. Ensuring that all liens from the Contractor or Subcontractors have been released.
4. Archiving all project records.



→ SEG will prepare close-out reports in accordance with city standards and the Caltrans Local Assistance Procedures Manual (LAPM), as required, to meet all funding criteria.

→ For the SEG team, project close-out is a critical aspect of contract completion and will be executed with great attention to detail. In finalizing project files, Specs Engineering Group will ensure that all original documents are included and will organize all records in compliance with city policy.



Section C: Understanding On-Call Construction Management, Inspection, and Materials Testing Services



SPECS ENGINEERING GROUP'S APPROACH TO STAYING ON SCHEDULE AND UNDER BUDGET

To ensure that public works capital projects for municipal agencies stay on schedule and within budget, the SPECS approach involves comprehensive coordination throughout the pre-construction, construction, and post-construction phases. Leveraging resources such as the Local Assistance Procedures Manual (LAPM), Caltrans Construction Manual, and the Greenbook, our team guarantees that the project is completed on time and that all required documentation is meticulously organized.

The pre-construction phase involves various tasks that will ensure a schedule for the project's completion. Before construction begins, the SPECS Engineering Team conducts thorough documentation by capturing photos and videos of the project site's pre-existing conditions. These visual records provide a valuable reference should any issues arise during construction. The team also facilitates a pre-construction meeting with the agency, contractor, subcontractors, and local utility stakeholders. During this meeting, utility issues and potential challenges with the agency are discussed, and the contractor and subcontractors review means and methods, foresee potential problems, and align with the project schedule. In addition, topics such as public outreach, safety protocols, work schedules, labor compliance, and budget are also discussed. At this meeting, we identify key contacts from all agencies to ensure clear communication throughout the project and to confirm everyone's understanding, we distribute meeting minutes and the sign-in sheet, which are archived in our project files.

Additionally, submittals—such as traffic control plans, permits, CPM schedule, and SWPPP—are reviewed to ensure that they are approved before construction begins, minimizing the risk of delays. Referencing the Greenbook Specifications, submittals are required to be turned into the Resident Engineer with a turnover time of 20 working days. Once all submittals are reviewed and discussed the Resident Engineer issues a Notice to Proceed (NTP), signaling the contractor to commence work as outlined in the contract. Throughout this phase, we prioritize communication with the public, providing outreach materials in both English and Spanish to keep residents informed about construction timelines and the installation of temporary no-parking signs.



Section C: Understanding On-Call Construction Management, Inspection, and Materials Testing Services



SPECS ENGINEERING GROUP’S APPROACH TO STAYING ON SCHEDULE AND UNDER BUDGET

During construction, SPECS Engineering Group Inc. utilizes the LAPM and Construction Manual and maintains organized project files using the 63-category system. Weekly status reports and working day statements help us track the project’s progress. These reports also keep the city updated on the project’s status. Weekly meetings are held with contractors to address any issues or concerns and bring any non compliance to the contractor’s attention, so they are aware. This usually gives the contractor the opportunity to fix what is being discussed so they don’t have too many items to address during the final phase of construction. We also request a 2- to 3-week look-ahead from contractors, which allows us to anticipate upcoming work and address any potential challenges before they arise.

Field inspectors play a key role in documenting the work. They maintain detailed photo logs, diaries, and paving logs, all of which are stored in our project files. Daily correspondence with the contractor ensures that we are informed about which subcontractors are working on specific bid items, as well as the number of hours billed for each task. This helps us ensure that the project stays within budget and that the prime contractor is utilizing the subcontractors listed in the bid documents. Progress payments are tracked by recording quantities of completed work, with all data backed by field verifications and calculations. Quantities are documented using Caltrans Form CEM-4801, along with charts, details from the plans, and supporting documentation for each bid item.

Once construction is complete and the contractor has finished their scope of work, the SEG team conducts a punch list walk through the project site to identify any outstanding or non-compliant items. A detailed table with punch list items is submitted to the contractor for resolution. Once the contractor has addressed all issues and the construction inspectors and Resident Engineer have verified the work, a final inspection/walk is conducted with the agency to ensure that all project requirements are met.

At the close of the project, the SEG team ensures that all project documentation—such as Redlines/As-Builts, warranties, certifications, operating and maintenance manuals, and survey reports—is submitted to the city. We also review and process the contractor’s request for final payment and release of retention. Finally, all project files are delivered to the city, ensuring a thorough and organized closeout.



Various Streets Phase I
 N. Maple Ave
 Road Rehabilitation



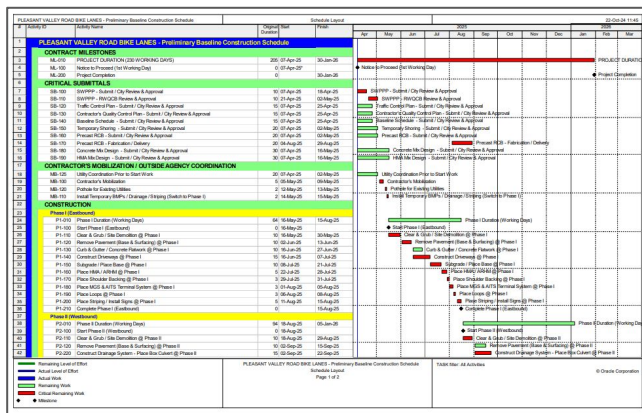
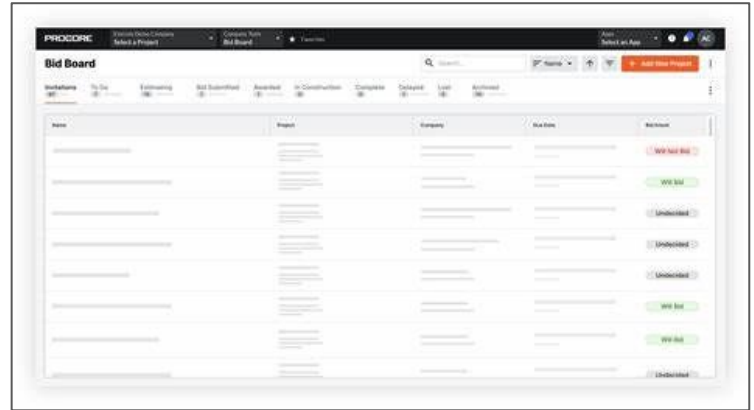
Various Streets Phase I
 N. Maple Ave
 Road Rehabilitation

Section C: Understanding On-Call Construction Management, Inspection, and Materials Testing Services



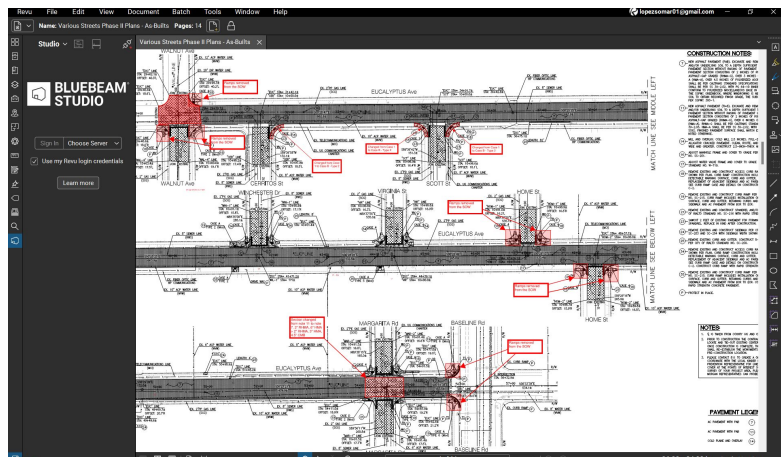
PROJECT MANAGEMENT TOOLS

During the course of construction, it is difficult to keep track of documents that are incoming, processed, and filed. SPECS Engineering Group uses various tools to help keep the team organized and up to date. Procore, a project management tool that the team utilizes to help keep the team up to status. The team has extensive experience using **Egnite** and **Procore**. Using Procore, SEG is able to process RFI's, submittals, meeting minutes, photo documentation, and even process change orders. Procore allows the team to notify when RFI's and Submittals are submitted and when they are reviewed and returned. The "meeting minutes" tool in Procore enables the team to disburse any items discussed during the weekly progress meeting. The photos tool in Procore allows the team to file all photos and videos while also including a stamp of location and time the photo/videos were taken. For the on-field construction aspect, Procore allows the team to list the number of workers each subcontractor has on-site. This tool helps keep the field inspectors organized and ensure safety is maintained.

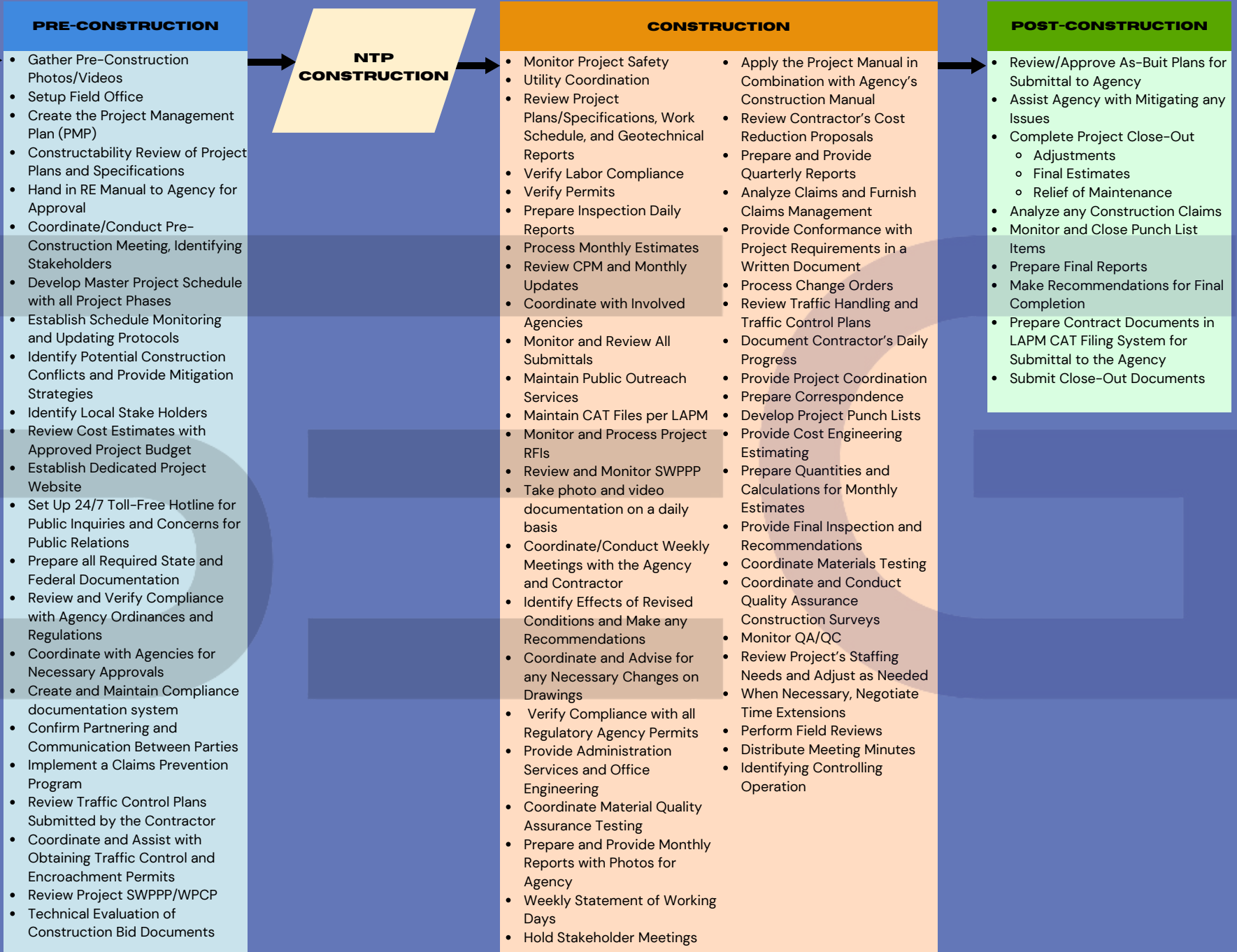


SEG's resident engineers and subconsultant, CH Scheduling, have extensive experience using the software **Primavera P6**. BY utilizing Primavera P6, the team is able to monitor and track the contractor's CPM schedule and ensure that the contractor is scheduling construction activities per the special specifications. In addition, P6 allows detailed tracking and management of resources. Specific resources can be assigned to tasks and track their usage and availability. The software also includes features that may assist identifying potential risks and issues in the planning process and can also incorporate contingency plans.

The SEG team has extensive experience using the **software Bluebeam**. Bluebeam, a project management tool, helps the team check quantities for the project, markup construction drawings, and many other benefits. The team first gets a theoretical quantity check using the Bluebeam tool "measurement" then takes that quantity onto an actual quantity check on the field. Using Bluebeam, SEG is also able to markup changes in the plans creating a Red Line/As-Builts plans in order to submit to the agency at the end of the project.



SCOPE OF WORK | FLOW CHART



Section C: Understanding On-Call Construction Management, Inspection, and Materials Testing Services



LABOR COMPLIANCE

SPECS Engineering will ensure adherence to contract labor requirements through early surveillance and proactive monitoring, ensuring compliance throughout the project duration. EEO interviews will be conducted for every classification, DIR reporting, weekly status reports, and certified payroll spot checks to ensure labor compliance.

Labor Compliance / Auditing Services		
<ul style="list-style-type: none"> • Prevailing Wage Compliance • Certified Payroll Management • Civil Rights Compliance • EEO Interviews California Labor Code • Enforcement Contractor License Verification 	<ul style="list-style-type: none"> • DIR Reporting • Weekly Status Reports • Outreach/On-the-job training • Local Impact Analysis • Site Visit Documentation Review • Wage Rate Verification Pre Construction Conference Coordination 	<ul style="list-style-type: none"> • Employee field interviews • Payment tracking source document review • Audit • Corrective action tracking federal funding requirements adherence

- ✓ SPECS monitors construction project documentation and activities to ensure all work complies with State and Federal Davis-Bacon Act prevailing wage laws. In addition, the team will oversee wage corrections that may have occurred due to misclassification, underreporting of hours, and other labor compliance errors.
- ✓ SPECS will conduct labor compliance audits; monitor prevailing wage compliance; and submit annual reports to all appropriate Federal, State and local agencies; and monitor prevailing wage compliance.
- ✓ SPECS administers labor compliance by managing and auditing all wage related documents including: Certified Payroll Records, Fringe Benefit Statements, Trustee Reports, Prevailing Wage Claims, Employer Training Contributions, and Apprenticeship Documentation. Our compliance verification process includes thorough review and analysis of submitted documents; investigation of potential violations; validation of documentation accuracy; identification of missing or incorrect information, direct communication with contractors to resolve compliance issues, performance of detailed compliance audits; and calculation of any underpayments, associated fines and penalties. Additionally, SPECS verifies contractor licensing status and ensure proper worker's compensation insurance coverage is maintained for all employees throughout project duration.
- ✓ Our labor compliance experts ensure adherence to federal and state regulations, including Davis-Bacon and Related Acts, California Labor Code, and California Code of Regulations (CCR). We specialize in compliance services for Federal Highway Administration (FHWA) and Caltrans Local Assistance Procedures Manual (LAPM) projects.
- ✓ SPECS performs comprehensive labor compliance monitoring through detailed payroll audits to identify irregularities and verify employee compliance; monthly on-site worker interviews; and collecting and verifying labor compliance statements prior to project completion. Additionally, our team will review documentation for: inspector logs, timesheets, sign-in sheets and any other supporting work documents. By utilizing these thorough reviews, we ensure proper compliance before releasing the final contractor payments

APPROACH TO SEG'S LABOR COMPLIANCE SERVICES

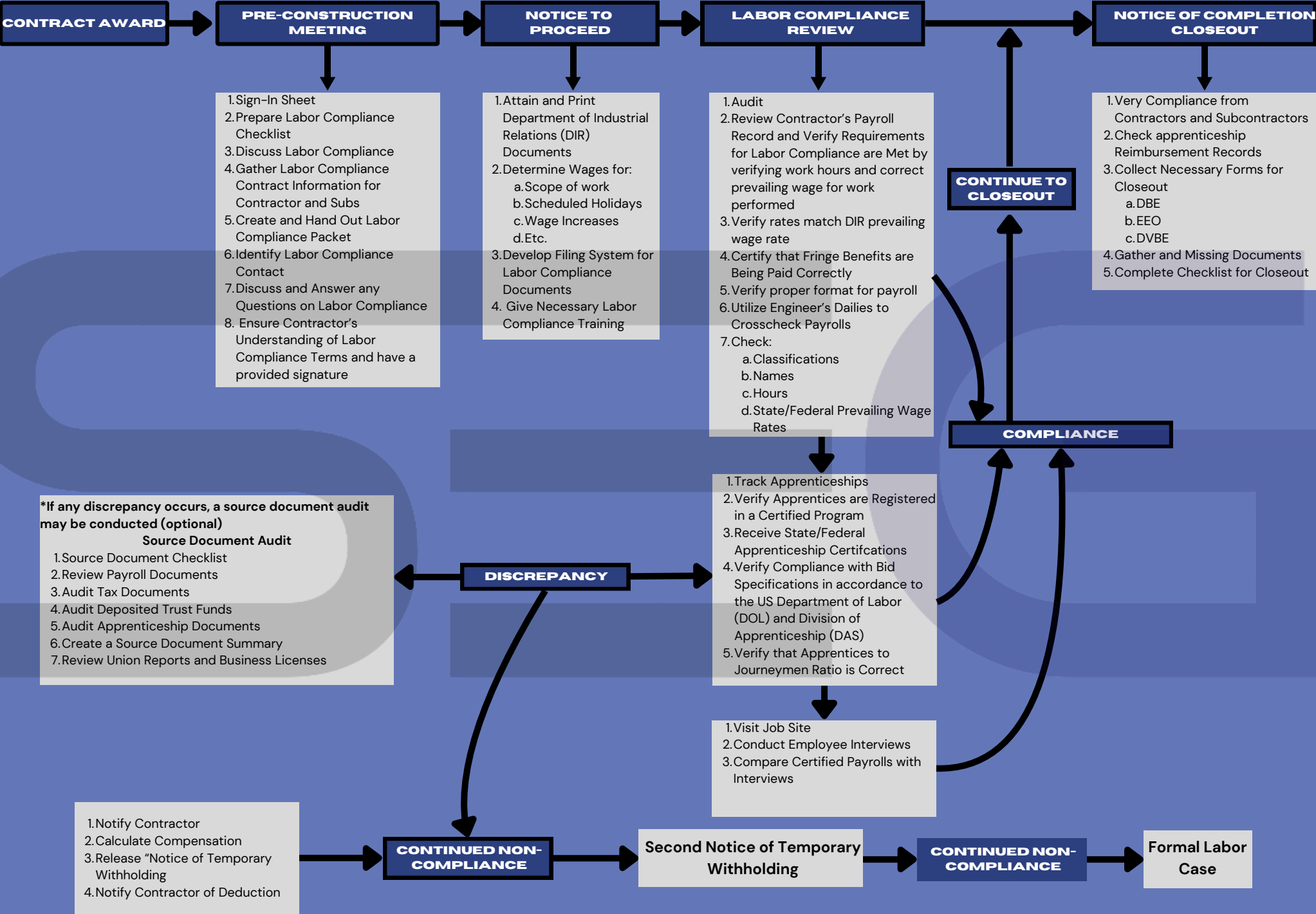


EXHIBIT "B"

FEDERAL CONTRACT TERMS, CONDITIONS, AND REGULATIONS

As used in this Exhibit F, this Agreement may be referred to as the "contract," and Consultant may be referred to as "contractor." In performing its Work under the Contract, Contractor must conform to all applicable federal, state, and local codes, laws, ordinances, rules and regulations, which will have full force and effect as though printed in full in the Contract. In addition to the terms, conditions, performance obligations, and other requirements set forth in the Contract, Contractor must comply with the following federal contract terms, conditions, and regulations, which are incorporated by reference in the Contract:

1. **Equal Employment Opportunity.** Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

41 CFR 60-1.4(b) provides:

The applicant hereby agrees that it will incorporate or cause to be incorporated into any contract for construction Work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause:

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action will include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision will not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of Workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or Workers' representatives of the contractor's commitments under this section, and must post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering

agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction Work: Provided, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in Work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

2. **Davis-Bacon Act, as amended (40 U.S.C. 3141-3148).** When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be

required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public Work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

3. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708).

Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard Work week of 40 hours. Work in excess of the standard Work week is permissible provided that the Worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours Worked in excess of 40 hours in the Work week. The requirements of 40 U.S.C. 3704 are applicable to construction Work and provide that no laborer or mechanic must be required to Work in surroundings or under Working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

4. Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research Work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

5. Clean Air Act (42 U.S.C. 7401-7671 q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended. Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water

Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

6. **Debarment and Suspension (Executive Orders 12549 and 12689).** A contract award (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
7. **Byrd Anti-Lobbying Amendment (31 U.S.C. 1352).** Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.
8. **2 CFR § 200.322 Procurement of Recovered Materials.** A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
9. **Certification for Contracts, Grants, Loans, and Cooperative Agreements.** The parties to this Contract agree to comply with the provisions of 43 CFR 18, New Restrictions on Lobbying, including the following certification requirements:

In accordance with 43 C.F.R. § Part. 18, Appendix A, each of the parties to this Contract certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the parties, to any person for influencing or attempting to influence an officer or employee of

an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the parties must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The parties must require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients must certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification must be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

10. Executive Order 13513 of October 1, 2009, Federal Leadership On Reducing Text Messaging While Driving. Text Messaging While Driving by Government Contractors, Subcontractors, and Recipients and Subrecipients. Each Federal agency, in procurement contracts, grants, and cooperative agreements, and other grants to the extent authorized by applicable statutory authority, entered into after the date of this order, must encourage contractors, subcontractors, and recipients and subrecipients to adopt and enforce policies that ban text messaging while driving company-owned or -rented vehicles or GOV, or while driving POV when on official Government business or when performing any Work for or on behalf of the Government. Agencies should also encourage Federal contractors, subcontractors, and grant recipients and subrecipients as described in this section to conduct initiatives of the type described in section 3(a) of this order.

11. Drug-Free Workplace (2 CFR §182 and §1401). The Department of the Interior regulations at 2 CFR 1401—Government-wide Requirements for Drug-Free Workplace (Financial Assistance), which adopt the portion of the Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq., as amended) are hereby incorporated by reference and made a part of this Contract. By entering into this Contract, the Contractor agrees to comply with 2 CFR 182.

12. **Copeland Anti-Kickback Act (18 U.S.C. 874).** Contractor agrees to comply with the Copeland Anti-Kickback Act as supplemented by Department of Labor regulations (29 CFR part 5).

EXHIBIT "C"

"HOURLY RATE SCHEDULE"



SPECS Engineering Group

Corporate Office
 135 S. State College Blvd, #200
 Brea, CA 92821

Field Office
 3281 E. Guasti Rd,
 Ontario, CA 91767

HOURLY RATE / FEE SCHEDULE

PRIME CONSULTANT FIRM Fee Schedule	RANGE (RATE / Hour) Year 1	RANGE (RATE / Hour) Year 2	3% increase / year
Director			
Construction Managers	285.80 - 343.6	294.37 - 353.91	
Resident Engineers	286.80 - 344.6	295.40 - 354.94	
Structure Engineers	241.39 - 270.02	248.63 - 278.12	
Construction Inspectors	189.66 - 218.29	195.35 - 224.84	
Electrical / Building Inspectors	171.24 - 199.87	176.38 - 205.87	
Landscape Inspectors	158.40 - 187.03	163.15 - 192.64	
Office Engineers	136.12 - 164.75	140.20 - 169.69	
Public Relations	149.40 - 168.03	153.88 - 173.07	
Administrative Support	97.57 - 116.20	100.50 - 119.69	

Sub-Consultant Costs:						
See attached						

Notes:

- Overtime and weekend work is not included. Overtime is to be charged at 1.5 the above rate for Inspection work.
- Project related miscellaneous expenses including vehicle, mileage, cellphones, travel.... etc. are INCLUDED in the above Rates.
- Inspectors will be fully equipped with vehicles, computers, tools, and equipment required to perform their tasks.
- Cost proposal is subject to prevailing wage rates for inspection.
- Billing rates are based on actual hours worked.
- 3% increase per year, scheduled on January 1st each year