

**AGREEMENT FOR SERVICES
BETWEEN CITY OF MORRO BAY AND
CANNON CORPORATION**

THIS AGREEMENT FOR SERVICES (“**Agreement**”) is made and entered into this Eleventh day of June, 2024 by and between City OF MORRO BAY, a California municipal corporation (“**City**”) and CANNON CORPORATION, a California Corporation (“**Consultant**”). City and Consultant may be referred to individually as “**Party**” or collectively as “**Parties.**” 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. In compliance with all terms and conditions of this Agreement, Consultant shall provide those services specified in the “Scope of Services” attached hereto as Exhibit A and incorporated herein by this reference, which may be referred to herein as the “**services**” or “**work**” hereunder. As a material inducement to City entering into this Agreement, Consultant represents and warrants: a) all services set forth in the Scope of Services will be performed in a competent and satisfactory manner; b) all materials used for services will be both of good quality as well as fit for the purpose intended; and, c) Consultant shall follow the highest professional standards and practices in performing the services required hereunder.

1.2 Consultant’s Proposal. The Scope of Services shall include the scope of services or work included in Consultant’s proposal or bid, which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal or bid, and this Agreement, the terms of this Agreement shall govern. No other terms and conditions from Consultant’s proposal or bid, other than description of scope of services or work, shall apply to this Agreement, unless specifically agreed to by City in writing.

1.3 Compliance with Law. All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules and regulations of City and any federal, State or local governmental agency having jurisdiction in effect at the time services are rendered. City, and its officers, employees and agents, shall not be liable at law or in equity for failure of Consultant to comply with this Section.

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 Consultant’s performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against City hereunder.

1.5 Additional Services and Compensation. City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes to the work by altering, adding to

or deducting from said work. No such extra work may be undertaken unless a written order, consistent with both Section 9.4 as well as Morro Bay Municipal Code (“**MBMC**”) section 3.08.060 (and as amended), is first given by City to Consultant, incorporating therein any adjustment in the Contract Sum for the actual costs of the extra work and/or the time to perform this Agreement, which said adjustments are subject to the written approval of Consultant. 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 or reasonably contemplated therein. 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 consultants.

1.6 Familiarity with Work. By executing this Agreement, Consultant represents and warrants Consultant: a) has thoroughly investigated and considered services to be performed, b) has carefully considered how services should be performed, and c) fully understands the facilities, difficulties and restrictions attending performance of services under this Agreement.

1.7 Software and Computer Services. If the Scope of Services includes the provision and/or installation of any software, computer system, or other computer technology, Consultant represents and warrants that it is familiar with and/or has inspected City’s current infrastructure, equipment, computer system and software and that the software, computer system, or other computer technology provided and/or installed by Consultant under this Agreement is compatible, and shall be fully functional, with such infrastructure, equipment, computer system and software of City. Consultant acknowledges that City is relying on this representation by Consultant as a material consideration in entering into this Agreement.

1.8 Prevailing Wages. If services include any “public work” or “maintenance work,” as those terms are defined in California Labor Code section 1720 *et seq.* and California Code of Regulations, Title 8, section 16000 *et seq.*, and if the total compensation is \$1,000 or more, Consultant shall pay prevailing wages for such work and comply with the requirements in California Labor Code section 1770 *et seq.* and 1810 *et seq.*, and all other applicable laws.

1.9 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the “Special Requirements” attached hereto as Exhibit B and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit B and any other provisions of this Agreement, the provisions of Exhibit B shall govern.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT

2.1 Contract Sum. Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the “Schedule of Compensation” attached hereto as **Exhibit C** and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed One Million Three Hundred and Seventy-Four Thousand Three-Hundred and Ninety-Six Even Dollars (\$1,374,396) (“**Contract Sum**”), unless additional compensation is approved pursuant to Section 1.5. Compensation may include reimbursement, for actual and necessary expenditures, if both specified in the Schedule of Compensation, as well as approved by City in advance. The Contract Sum shall include the

attendance of Consultant at all project meetings reasonably deemed necessary by City. 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, Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto.

2.2 Invoices. Unless some other method of payment is specified in Exhibit C, Schedule of Compensation, in any month in which Consultant wishes to receive payment, no later than the first business day of such month, Consultant shall submit to City, in a form approved by City's Finance Director, an invoice for services rendered prior to the date of the invoice. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of this Agreement. Except as provided in Sections 7.3, 7.4 and 7.5, City shall pay Consultant for all expenses stated thereon which are approved by City pursuant to this Agreement generally within thirty (30) days, and City will use its best efforts to make payment no later than forty-five (45) days, from the submission of an invoice in an approved form. 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. Review and payment by City for any invoice provided by Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law. Each invoice is to include (unless otherwise specified by City): 1) line items for all personnel describing the work performed, the number of hours worked, and the hourly rate; 2) line items for all materials and equipment properly charged to the Services; 3) line items for all other approved reimbursable expenses claimed, with supporting documentation; and 4) line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.

ARTICLE 3. PERFORMANCE SCHEDULE

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

3.2 Term. Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services, which shall be no later than December 31st, 2026.

3.3 Schedule of Performance. Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as **Exhibit D** and incorporated herein by this reference.

3.4 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 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 City, if Consultant shall within ten (10) days of the commencement of such delay notify City in writing of the causes of the delay. City 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 City

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

ARTICLE 4. COORDINATION OF WORK

4.1 Representative of Consultant. The representative of Consultant is Larry Kraemer, who is authorized to act on Consultant's behalf with respect to the work or services specified herein and to make all decisions in connection therewith. It is expressly understood that the experience, knowledge, capability and reputation of the representative was a substantial inducement for City to enter into this Agreement. Therefore, the representative 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. For purposes of this Agreement, the representative may not be replaced nor may their responsibilities be substantially reduced by Consultant without the express written approval of City.

4.2 Contract Officer for City. The Contract Officer for City is Yvonne Kimball (or such person as may be designated by the City Manager). The Contract Officer shall be the primary person on behalf of City responsible for the administration of the Agreement. It shall be Consultant's responsibility to assure that the Contract Officer is kept informed of both the progress of the performance of the services as well as any decisions which must be made by City.

4.3 Approvals from City. City approvals or actions, pursuant to the authority of this Agreement, are to be made (unless otherwise specified) either by the City Manager or by their delegate as provided for in writing.

4.4 Independent Contractor. Neither City, nor any of its officers, employees or agents, shall have any control over the manner or means by which Consultant, or its officers, employees, agents or subcontractors, perform the services required herein, except as otherwise set forth herein. Consultant shall perform all services required herein as an independent contractor of City and shall remain under 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 officers, employees, agents or subcontractors, are officers, employees or agents 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. Consultant shall not incur or have the power to incur any debt, obligation or liability whatever against City, or bind City in any manner. Consultant represents and warrants that the personnel used to provide services to City pursuant to this Agreement shall at all times be under Consultant's exclusive control and direction. No City employee benefits shall be available to Consultant, its officers, employees, agents or subcontractors, in connection with the performance of this Agreement. City shall not be liable for compensation or indemnification to Consultant, its officers, employees, agents or subcontractors, for injury or sickness arising out of performing services hereunder. In the event that Consultant or any officer, employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a federal or state agency, a court of competent jurisdiction, or the California Public Employees' Retirement System, to be classified as other than an independent contractor for City, then Consultant shall indemnify, defend, and hold harmless City

for the payment of any and all assessed fines, penalties, judgments, employee and/or employer contributions, and any other damages and costs assessed to City as a consequence of, or in any way attributable to, the assertion that Consultant, or any officer, employee, agent, or subcontractor Consultant used to provide services under this Agreement, is/are employees of City.

4.5 Subcontracting or Assignment. The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for City to enter into this Agreement. Therefore, without express written approval of City, Consultant shall not contract with any other entity to perform in whole or in part services required hereunder without express written approval of City, and neither this Agreement nor any interest herein may be transferred or assigned. No approved transfer shall release Consultant, or any surety or insured of Consultant, of any liability hereunder without express written consent of City.

ARTICLE 5. INSURANCE AND INDEMNIFICATION

5.1 Insurance Coverages. Prior to commencement of any services under this Agreement, and without limiting Consultant's indemnification obligation to City, Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, for the duration of the Agreement, primary policies of insurance of the type and amounts below, issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by City, which shall cover all elected and appointed officers, employees and agents of City. City reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by giving Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to Consultant, City and Consultant may renegotiate Consultant's compensation.

(a) **Commercial General Liability Insurance.** A policy of commercial general liability insurance, with coverage at least as broad as Insurance Services Office ("ISO") form CG 00 01, written on a per occurrence basis for bodily injury, personal injury and property damage. Defense costs must be paid in addition to limits. Coverage for an additional insured shall not be limited to its vicarious liability. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted. Limits shall be no less than \$1,000,000 per occurrence for all covered losses and no less than \$2,000,000 general aggregate.

(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 Consultant against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by Consultant in the course of carrying out the work or services contemplated in this Agreement.

(c) **Automobile Liability.** A policy of comprehensive automobile liability insurance, at least as broad as ISO form CA 00 01, written on a per occurrence basis covering

bodily injury and property damage in an amount not less than \$1,000,000 combined single limit for each accident. Said policy shall include coverage for owned, non-owned, leased, hired cars and any automobile.

(d) **Professional Liability.** Professional liability insurance appropriate to Consultant's profession. This coverage may be written on a "claims made" basis and must include coverage for contractual liability. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement. 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 five (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 City submit written evidence of this continuous coverage. Limits shall be no less than \$1,000,000 per claim and no less than \$1,000,000 general aggregate.

(e) **Cyber Liability.** Cyber liability insurance appropriate to Consultant's profession and the services hereunder, written on a per occurrence basis, with limits not less than \$1,000,000 per occurrence/loss, and \$2,000,000 in the aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations undertaken by Consultant pursuant to this Agreement and shall include, but not be limited to, claims involving: infringement of intellectual property; copyright; trademark; invasion of privacy violations; data breach; electronic information theft, loss, damage, destruction, alteration or misuse; release of private information; extortion; and, network security. The policy shall provide coverage for breach response costs, regulatory fines and penalties, and credit monitoring expenses, with limits sufficient to respond to these obligations.

(f) **Excess Liability Insurance.** Excess liability insurance may be used to satisfy the obligations herein. If excess liability insurance is used then the policy shall meet all the requirements herein and be at least as broad as the primary coverages set forth herein. Such policy shall: 1) include a drop down feature requiring the policy to respond if primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason; 2) be payable on behalf of wording as opposed to reimbursement; 3) have concurrency of effective dates with primary policies; 4) "follow form" to the underlying primary policies; and, 5) provide insureds, under primary policies required herein, shall be insureds under the excess liability policy.

(g) **Subcontractors.** In the event Consultant subcontracts any portion of the work in compliance with Section 4.5 of this Agreement, Consultant shall either: 1) include each subcontractor as insureds under its policies of insurance required herein; or, 2) Consultant shall furnish to City all documentation, required in Article 5 for Consultant, for each subcontractor. All coverages for subcontractors shall include all of the requirements stated herein.

5.2 General Insurance Requirements.

(a) **Proof of Insurance, Enforcement and Notice.** No work or services under this Agreement shall commence until both Consultant has provided City with insurance certificates, endorsement forms and appropriate insurance binders evidencing the above insurance coverages, as well as said documentation is approved by City. City reserves the right to inspect

complete, certified copies of, and endorsements to, 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. In the event any insurance policy required under this Agreement is cancelled or amended (and the insurance policy is not replaced pursuant to subsection (b) below), or does not comply with Article 5, then: 1) City has the right but not the duty to obtain insurance required herein and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments; or, 2) City, notwithstanding any other provisions of this Agreement, may immediately terminate this Agreement. Consultant shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required insurance policies.

(b) **Cancellation/Amendment.** All of herein required policies of insurance shall provide the insurance may not be amended or cancelled by insurer or any Party hereto without providing thirty (30) calendar days prior written notice (with exception of ten (10) calendar days prior written notice for nonpayment) to City. In the event any of said policies of insurance are amended or cancelled, Consultant shall, five (5) business days prior to the cancellation date, submit new evidence of insurance in conformance with this Agreement to City.

(c) **Additional Insureds.** The commercial general liability policy provided for in Section 5.1(a) and the automobile liability policy provided for in Section 5.1(c) both shall name City and its elected and appointed officers, employees and agents ("**City Parties**") as additional insureds and such coverage shall contain no special limitations on the scope of protection afforded to City and City Parties. A severability of interests provision must apply for all additional insureds ensuring that 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, and policies of insurance shall not contain any cross-liability exclusions.

(d) **Primary, Subrogation, Contribution and Coverage.** All of the above policies of insurance shall be primary insurance. The insurers for above policies, Consultant and any subcontractors are all deemed hereof to waive all rights of subrogation and contribution they may have against City or City Parties, and their respective insurers, and all insurance policies required herein shall be endorsed to waive such rights. Any insurance maintained by City or City Parties will apply in excess of, and not contribute with, Consultant's insurance. If Consultant maintains broader coverage and/or higher limits than the minimum amounts provided herein, City requires and shall be entitled to the broader coverage and/or higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City and City Parties. None of the coverages required herein will be in compliance with this Agreement if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing. Requirements of specific coverage features or limits contained herein are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any Party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

(e) **Limitations, Self- Insured Retention and Deductibles.** Consultant agrees

that requirements of Article 5 shall not be construed as limiting in any way the extent to which Consultant may be held responsible for the payment of damages to any persons or property resulting from Consultant's activities or the activities of any person or persons for which Consultant is otherwise responsible nor shall it limit Consultant's indemnification liabilities as provided in Section 5.3. All insurance policies must specify that where the primary insured does not satisfy any self-insured retention, any additional insured may satisfy the self-insured retention. Any deductibles or self-insured retentions must be declared to and approved by City. At City's option, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City and City Parties, or Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration, attorney's fees, defense expenses and claims.

5.3 Indemnification.

(a) **General Obligations.** Consultant agrees, to the full extent permitted by law, to indemnify, defend and hold harmless City and its elected and appointed officers, employees and agents (each an "**Indemnitee**" and collectively, "**Indemnitees**") against, and will hold and save them and each of them harmless from, whether actual or threatened, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities (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 (each an "**Indemnitor**" and collectively, "**Indemnitors**"), or arising from Indemnitors' reckless or willful misconduct, or arising from Indemnitors' negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith: 1) Consultant will defend any action or actions filed or threatened in connection with any such Claims or Liabilities, or at option of Indemnitee(s) will reimburse and pay for all costs and expenses, including legal costs and attorneys' fees, incurred by Indemnitee(s) in connection therewith; and, 2) Consultant will promptly pay any judgment rendered against Indemnitee(s) for any such Claims or Liabilities, and will save and hold Indemnitee(s) harmless therefrom.

(b) **Further Provisions.** The indemnity obligation herein shall be binding on successors, assigns and heirs of Consultant and shall survive termination of this Agreement. Consultant shall incorporate similar indemnity agreements as provided herein with its subcontractors, and if Consultant fails to do so Consultant shall be fully responsible to indemnify City hereunder therefor. Failure of City and/or City Parties (collectively "City" for solely this Section 5.3(b)) to monitor compliance with any of the indemnification provisions herein shall not be a waiver hereof. The indemnification provisions herein do not apply to claims or liabilities occurring as a result of City's sole negligence or willful misconduct, 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 indemnification provided herein includes Claims or Liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Indemnitors in the performance of professional services hereunder. Payment of invoices by City is not a condition precedent to enforcement of the indemnity obligation herein. In the event of any dispute between

Consultant and City, as to whether liability arises from the sole negligence or willful misconduct of City, Consultant will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating City as solely negligent or responsible for willful misconduct. Consultant will not be entitled in the absence of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

(c) **Professional Liability.** When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, defend and hold harmless Indemnitees against, and will hold and save them and each of them harmless from, whether actual or threatened, any and all Claims and Liabilities, consistent with all obligations provided for in this Section 5.3, to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission, or reckless or willful misconduct of Indemnitors in the performance of professional services under this Agreement.

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 ("**books and records**") as shall be necessary to perform the services required by this Agreement and enable City to evaluate the performance of such services. Any and all such books and records shall be maintained in accordance with generally accepted accounting principles, shall be complete and detailed, and shall be readily accessible. City 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. Such books and records shall be maintained for a period of three (3) years following completion of the services hereunder. City shall have access to such books and records in the event any audit is required. Consultant shall fully cooperate with City in providing access to any and all Consultant records and documents if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.

6.2 Ownership of Documents. All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials ("**documents and materials**") prepared by Consultant, its officers, employees, agents and subcontractors in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of City and/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. Consultant may retain copies of such documents and materials for its own use. Consultant shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents and materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom. Moreover, with respect to any Consultant documents and materials that may qualify as "works made for hire" as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed "works made for hire" for City.

6.3 Confidentiality and Release of Information. All information gained or work product produced by Consultant in its 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 City. Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from City 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 immediately gives City notice of such court order or subpoena. 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. As concerning, regarding or related to, in any way, this Agreement and the work performed thereunder: a) Consultant shall immediately 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; b) City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding; and, c) 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 Luis Obispo, State of California, or any other appropriate court in such county, and Consultant 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, in the County of San Luis Obispo, State of California.

7.2 Suspension, or Termination, Prior to Expiration of Term. This Section shall govern any termination of this Agreement except as specifically provided in Section 7.4 for termination for cause. City reserves the right to terminate or suspend this Agreement, or any portion hereof, at any time, for any reason, with or without cause, upon ten (10) days’ notice to Consultant, except that where termination or suspension is due to the fault of Consultant, the period of notice may be such shorter time as determined by City. Upon receipt of any notice of termination or suspension, Consultant shall immediately cease all services hereunder, unless the notice provides otherwise, or except such as specifically approved by City. Upon submittal of an invoice consistent with Section 2.2, Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination or suspension and for any services authorized by City thereafter in accordance with the Schedule of Compensation, or such as may be approved

by City, except as provided in Section 7.5. In event of termination, or suspension, without cause pursuant to this Section, there is no need to provide opportunity to cure pursuant to Section 7.3.

7.3 Default of Consultant and Opportunity to Cure. In the event that Consultant is in default under the terms of this Agreement, City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, 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 ten (10) days, but may be extended, or reduced, if circumstances warrant, as determined by City. During the period of time that Consultant is in default, City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices, without liability for interest. In the alternative, 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 by conclusion of noticed timeframe, City may immediately both terminate this Agreement with notice to Consultant as well as pursue the remedy in Section 7.4, without prejudice to any other remedy to which City may be entitled at law, in equity or under this Agreement. Any failure on the part of City to give notice of Consultant's default shall not be deemed to result in a waiver of City's legal rights or any rights arising out of any provision of this Agreement.

7.4 Termination for Default of Consultant. If termination is due to the failure of Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.3, take over the work and prosecute the same to completion by contract or otherwise, and 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 City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to Consultant for the purpose of set-off or partial payment of the amounts owed City therefor.

7.5 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 Consultant to insure, indemnify, and protect City as elsewhere provided herein.

7.6 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. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any requirement of this Agreement imposes no additional obligations on City nor does it waive any rights hereunder. Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

7.7 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.

7.8 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. Notwithstanding any contrary provision herein, Consultant shall file a statutory claim pursuant to Government Code sections 905 *et seq.* and 910 *et seq.*, in order to pursue a legal action under this Agreement.

7.9 Attorneys' Fees. If either Party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys' fees. Attorneys' fees shall include attorneys' fees on any appeal, and a Party entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating such action, consultants' fees, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. Such fees and costs shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 8. INDIVIDUAL LIABILITY, CONFLICTS AND NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees. No officer or employee of City shall be personally liable to Consultant, or any successor in interest, in the event of any default or breach by City or for any amount which may become due to 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 City. 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. City, in its sole discretion, shall determine the existence of a conflict of interest and may terminate this Agreement in the event such a conflict of interest exists upon sending Consultant written notice describing the conflict. No officer or employee of 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 this Agreement which affects their financial interest or the financial interest of any corporation, partnership or association in which they are, directly or indirectly, interested, in violation of any State statute or regulation. 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.

8.3 Covenant Against Discrimination. Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that 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, 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, gender, sexual orientation, marital status, national origin, ancestry or other protected class.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Notices. Any notice or other communication either Party desires or is required to give to the other Party or any other person in regards to this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, in the case of City addressed to City Clerk at City of Morro Bay, 595 Harbor Street, Morro Bay, CA 93442, and in the case of Consultant, to the person(s) at the address designated on the execution page of this Agreement. Either Party may change its address by notifying the other Party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 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, headings used, or any other rule of construction which might otherwise apply.

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

9.4 Integration; Amendment. This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the Parties as to the Agreement. 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 prior and contemporaneous negotiations, arrangements, agreements and understandings, if any, between the Parties, concerning this Agreement, 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 Consultant and (consistent with, as amended, Chapter 3.08 of the MBMC) by City.

9.5 Severability. Should a portion of this Agreement be declared invalid or unenforceable by a judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the Parties 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.

9.6 No Undue Influence. Consultant declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of City has or will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling City to remedies in Section 7.4 and any and all remedies at law or equity.

9.7 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) 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 this Agreement on the date and year first-above written.

CITY:

CITY OF MORRO BAY, a California municipal corporation

Yvonne Kimball
City Manager

ATTEST:

Dana Swanson, City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Chris F. Neumeyer, City Attorney

CONSULTANT:

CANNON CORPORATION, a California Corporation

By: _____
Michael Francis Cannon
Chief Executive Officer

By: _____
Lawrence P. Kraemer
Secretary and PE, Director of Public Infrastructure
1050 Southwood Dr, San Luis Obispo, CA 93401

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairperson of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. (Cal. Corp. Code § 313.) APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY

EXHIBIT A

SCOPE OF SERVICES

- I. Consultant will perform services described in Consultant's Scope of Work and Organization Chart attached hereto.**

- II. All work product is subject to review and acceptance by City, and must be revised by Consultant without additional charge to City until found satisfactory and accepted by City.**



SCOPE OF SERVICES AND TIMELINE – RECYCLED WATER FACILITIES DESIGN AND ESDC

The following scope of work is based on our understanding of the project, our experience on similar successful projects, several site visits, and discussions with City and Project Team Staff. Our approach to successful completion of this project is based on providing the professional services described below. These detailed tasks and sub-tasks are carefully sequenced to provide an efficient schedule while remaining realistic and achievable. We will build upon previous work—especially the *2023 Revised Draft Basis of Design Report for Groundwater Injection, Monitoring, and Extraction* and the *2024 Technical Memorandum Indirect Potable Reuse (IPR) Alignment Alternatives Feasibility Assessment*—and confirm critical assumptions and criteria as part of our work.

TASK 1: PROJECT MANAGEMENT

Cannon will provide contract management and quality control services throughout the duration of the project. Cannon’s Program Director and Project Manager(s) will play an active role in the management and coordination. They will coordinate regular meetings with the project team to discuss project status, problems, budgeting, and other areas that have an adverse effect on the work. Project management will include the following sub-tasks:

Task 1.1 Project Coordination

We will coordinate activities of the internal project team members, including the following:

- Managing communications,
- Providing work direction,
- Monitoring subconsultant activities and progress, and
- Preparing requested materials and deliverables in conjunction with the tasks outlined below.

Task 1.2 Project Controls

We will prepare and maintain a project schedule to track the progress of milestones identified in Section II.B of the RFP. Our preliminary schedule (included in this proposal) can be used as a starting point for a baseline schedule. Furthermore, we will closely monitor the project budget—using periodic Earned Value Assessments—with respect to individual tasks and specifically itemized expenses, such as subconsultants and other reimbursable items. In the event of budget or schedule concerns, or critical path items fall behind more than two weeks, we will prepare a schedule update and recovery plan, if warranted.



Task 1.3 Project Team Meetings

We will prepare for and participate in project team meetings occurring every two weeks. The project team includes City Staff, the Recycled Water Program Manager, and other supporting consultants.

Task 1.4 External Agency/Stakeholder Meetings

We will prepare for and participate in external agency and stakeholder meetings, as necessary, to support the completion of the project. We have added several subconsultants (Katz & Associates and Pure Water Consulting Engineers) to provide public outreach and education promoting public acceptance and implementation of the indirect potable reuse components of the project.

For the stakeholder meetings we have budgeted three rounds of three meetings each (9 meetings total) during the project, including the following:

- Three small group stakeholder meetings (such as with PG&E, local businesses and Morro Bay High School),
- Three presentations to the Public Works Advisory Board and
- Three presentations to City Council.

We assume staffing and development of content and graphics for materials and City team preparation, including dry run meetings and talking point development.

Task 1.5 Quality Management Plan

We will implement Cannon's Quality Assurance/ Quality Control Program. Throughout the project, Cannon's Program Director will implement its QA/QC and Earned Value Assessment protocols and report results monthly.

Task 1.6 Invoice and Progress Reporting

We will prepare and provide monthly invoices and progress reports describing activities performed and professional services provided. We will provide separate invoices for work associated with the potable extraction well equipping and potable water pipeline design.

TASK 2: DATA COLLECTION AND REVIEW

Task 2.1 Data Collection

We will compile and manage information related to the project for use during design and construction. We maintain a robust, electronic file management system (with daily backups) for each of our projects on local servers. Additionally, our project managers maintain a paper folder of pertinent project deliverables; correspondence; and other important documentation, such as City reports and studies, third party utility company information, and as-built drawings of roads



and utilities in the project. To aid in project coordination, a cloud-based file sharing system will be created with agreed upon read/write administrative rights where documents can be readily available to the various team members.

Task 2.2 Data Review

We will review pertinent data and information received from the various entities mentioned above and incorporate industry and regulatory codes and standards into the preliminary and final designs for the project.

TASK 3: SITE INVESTIGATIONS AND MAPPING

We will provide the necessary site investigation and mapping to complete the project. We will review and verify the utility and mapping information from the Conveyance Project and IPR Pipelines Alternative Alignment Technical Memorandum. We acknowledge that it will be provided in native and other available file formats for informational purposes only.

Task 3.1 Geotechnical Investigations

We have added Yeh & Associates to our team to provide a program of data review, field exploration, laboratory testing, and engineering analysis necessary to support the design of the project. They will document the findings from the geotechnical investigations in a design geotechnical report. Geotechnical consultation will be provided through the preliminary design and bidding phases, as needed. A copy of Yeh's proposal is included as an attachment to this Proposal.

Task 3.2 Topographic and Right of Way Survey

We will provide a topographic survey and record data boundary of the proposed pipeline alignment corridor, the proposed location of each of the injection well sites (total of three), and the termination points for the three recycled water segments (MBHS, Lila Kieser Park, and Filling Station).

This task will include the following:

- Compiling and reviewing record maps.
- Providing minimum field work to establish record right-of-way.
- Establishing project control and aerial panels.
- Providing high resolution orthorectified aerial photos of the proposed project area.
- Providing 1-ft contour mapping (1"=20') and planimetrics for the selected pipeline alignments, well sites, and the recycled water connection locations.



Task 3.3 Utility Research and Coordination

We will conduct utility research with public and private utility providers who have existing facilities within the proposed project areas. We will obtain record drawings and as-built information. Potential utility conflicts and/or relocation requirements will be identified and evaluated as needed to minimize unexpected design modifications or construction delays. We will compile and review the documents for inclusion into the electronic base map to use in preliminary design and related tasks defined below.

This effort will include the following:

- Identifying utility providers in the project area.
- Preparing utility information request letters to obtain information on utilities in the project area. Requesting record drawings and schematics from the City and other utilities.
- Locating Underground Service Alert (USA) markings by the City and other utilities, if available.
- Developing a base utility map in .dwg format to be used in construction documents and for City records.

Task 3.4 Potholing

We will prepare recommendations and perform potholing, as necessary, to verify the depths and locations of critical utilities and record the information on cut sheets for use during design. We will incorporate this information into our design and show locations and information on the final set of construction documents. We have included a pothole budget for approximately eight (8) locations. This may change once the alignments have been selected and we have a clear understanding of the precise location of the proposed facilities.

Task 3.5 Base Mapping

Based on the findings from previous tasks, we will develop the base map for the design of the project. We will do this by incorporating the topographic survey, boundary mapping, utility information, record drawings, atlas maps, archeologic investigations, habitat mapping, and other applicable information in developing precise locations and alignments for the proposed improvements and facilities.

TASK 4: CONCEPT DESIGN REPORT

We will prepare a conceptual design report (CDR) that identifies each relevant design item (described in the following subtasks) and outlines the preferred design, potential environmental impacts and requirements, right-of-way issues, constructability analysis, operation and maintenance requirements, and estimated construction costs.



Task 4.1 Injection Well Configuration

In coordination with the project team and hydrogeologic consultant, we will identify and evaluate alternative configurations for the initial and build-out phase injection well sites. The analysis will include land use, permitting requirements, environmental resources, property ownership, constructability, operations and maintenance, and other siting constraints in identifying the locations for the injection wells.

We understand that the City will hire a separate consultant to complete four groundwater modeling scenarios. Using this information, they will prepare a technical memorandum to help identify the well site locations for the initial and build-out phases.

Task 4.2 Pipeline Alignment and Sizing

We will prepare a hydraulic model using an appropriate industry accepted software platform (such as InfoWater). The hydraulic model will analyze different operating approaches and associated flow requirements to evaluate flow rates and pressures. We will use this to determine pipeline sizing and pressure rating requirements to accommodate the initial and build-out phases of the project.

We will coordinate with the project team for information on the configuration and capacity of the existing IPR pipeline, pump station, and the hydraulic boundary conditions for the project.

As part of this subtask, we will prepare a pipeline alignment and sizing recommendations that incorporate constraints associated with land use designations, permitting requirements, environmental resource, property ownership, constructability, operations and maintenance, and other siting constraints.

Task 4.3 Seawater Desalination Pipeline Rehabilitation

We will evaluate the potential to rehabilitate and utilize the abandoned Seawater Desalination Feed pipeline to convey advanced purified recycled water along Embarcadero Ave and across Morro Creek. We will provide recommendations for testing and/or rehabilitation of the Seawater Desalination Feed pipeline to better inform the City on the potential to utilize it as part of the recycled water conveyance. This subtask will include us providing cost estimates for utilization of the Seawater Desalination Feed pipeline in its existing condition versus rehabilitation or replacement of the pipeline or sections of the pipeline.



Task 4.4 Equipment Procurement Analysis

We will prepare a pre-procurement analysis and provide a list of long lead equipment that may require early procurement to avoid construction delays.

Task 4.5 Backflush Alternatives Analysis

We will analyze potential alternatives for backflushing and disposal of backflush water from the injection wells. This will include evaluating potential discharge to the sanitary sewer, storm drain, percolation facility, or other alternatives for the initial phase injection wells. We will coordinate with regulatory agencies and the project team to develop a recommended alternative for backflush disposal.

Task 4.6 Conceptual Design Report

We will prepare a draft conceptual design report summarizing the findings and recommendations from Task 4. The conceptual design report will be used as the basis for the detailed design of the project. After incorporating input from the City and project team, we will finalize and publish the final conceptual design report.

TASK 5A: DESIGN AND CONTRACT DOCUMENTS – WELL-DRILLING

Task 5A.1 Coordination with Hydrogeologist/Well-Designer

We will coordinate with the City and the City's Hydrogeologist/Well-Designer to finalize the scope of work required for the well drilling contractor. This will be an opportunity to discuss options for access of the well-drilling equipment to each of the drill sites such as property lines, easements, ingress and egress of adjacent landowners, noise, discharging of well-development water, etc. The main purpose of this task is to meet and discuss and gather information from the City and Hydrogeologist for incorporation into the bid documents.

Task 5A.2 Injection and Monitoring Wells – Well-Drilling Bid Documents

We will prepare the front-end bid documents for the well-drilling contract, which will incorporate the plans and technical specifications provided by the hydrogeologist and any other additional documents such as permits, easements, and special conditions. A draft copy will be sent to the City and hydrogeologist for review and comment at the 90% completion level, followed by a final document after incorporating comments.

Task 5A.3 Bid Phase Support Services

We will assist the City during the bid phase of the project as follows:

- **5A.3.1 Distribution of Documents** – support distribution of plans and specifications to prospective bidders utilizing the City's preferred reproduction vendor, ASAP Reprographics.



- **5A.3.2 Responses to Questions and Bid Addenda** – assist the City in responding to contractor and supplier technical questions as they relate to the project plans and specifications during bidding and preparing addend, if required (2 anticipated).
- **5A.3.3 Pre-Bid Conference and Bid Opening** – attend and facilitate the pre-bid conference and bid opening conference for the project. We will respond to prospective bidder’s questions from these meetings (2 meetings anticipated).
- **5A.3.4 Bid Evaluation** – after the bid opening, review bids and make a recommendation for award of the construction project based on their qualifications and responsiveness to the bid package.

TASK 5B: DESIGN AND CONTRACT DOCUMENTS – WELL EQUIPPING AND SITE IMPROVEMENTS

We will prepare construction contract documents (construction plans, typical details, specifications, and cost estimates) for the initial phase of the project, based on the design criteria and recommendations included in the conceptual design report. We acknowledge the scope of work does not include detailed design for the full build-out phase of the project; however, our design for the initial phase of the project will account for, and provide for, expansion of the project in the future.

We understand the City is evaluating three different alignments for the recycled water pipeline with the goal of selecting the most advantageous route. Our proposal for project design and engineering services during construction is based on the longest alignment (Surf Street); however, we will work closely with the City in their selection process. We have also included optional design scope for the pipeline segment along Embarcadero Road and crossing Morro Creek in case the abandoned seawater desalination pipeline is determined to be unusable for recycled water conveyance.

Our design submittals will comply with the following State and Federal requirements:

- Environmental Protection Agency (EPA)
- Water Infrastructure Finance and Innovation Act (WIFIA)
- California State Water Resources Control Board (CSWRCB)
- Clean Water State Revolving Fund (CWSRF)
- United States Bureau of Reclamation (USBR)
- Department Of Water Resources (DWR)
- Integrated Regional Water Management (IRWM)



We will prepare contract documents in three submittals: 60%, 90%, and Final Bid Documents. Prior to each submittal, we will review and revise our work product in accordance with our Quality Management Plan. We will submit 60% and 90% review documents will occur at project review workshops with the project team. The contents of our submittal will be presented to the City and the project team to familiarize the group with the information and the design thought process.

Recycled Water Design

Our initial phase recycled water project design will include the following:

- Site configuration and well equipping for three injection wells (IW-1 and two additional wells to be determined).
- Pipelines/connections to convey recycled water to the injection wells, and for non-potable uses at Morro Bay High School and Lila Keiser Park.

The design will also include and/or consider the following components/assumptions:

- Design of a backflush and disposal system for the injection wells. We know the disposal point has yet to be determined, but we will base our design on the recommendations from the Task 5B.4 Backflush Alternatives Analysis.
- Design of a recycled water fill station to provide water for landscape/agriculture irrigation and construction use (e.g. dust control).
- Electric utility connections with transformer, outdoor meter/main, and distribution to wells.
- Instrumentation, controls, and communication equipment, with PLC controls and connections to the existing SCADA system.

Work Provided By Others

We acknowledge that other consultants will provide the following scope items:

- Design and construction oversight for the injection and monitoring well drilling, construction, and development will be provided by a separate consultant.
- Design and construction oversight for the extraction well drilling, construction, and development will be provided by a separate consultant.

For each of the milestone submittals, we will prepare and provide technical specifications for the equipment and materials needed to construct the facilities listed above. The following will be performed under this task:

- Preparation of 60% Design Documents
- Preparation of 90% Design Documents
- Preparation of Final Bid Documents



The following sections further describe the work to be executed by our design team.

Task 5B.1 60% Plans and Specifications

Based on the findings and results of previous tasks, we will prepare and submit a Plan and Specifications Design Package (Design Package) at an approximate completion level of 60%. We will perform our agreed upon Quality Management procedures on 60% design submittals. The 60% Design Package will include plans and specifications as follows:

- **60% Draft Plans** — including site civil, landscaping, architectural, mechanical, electrical, instrumentation, and controls, as necessary.
- **60% Draft Specifications** — including technical specifications and front-end documents (e.g., supplementary special conditions, Division 0 specifications). Front-end documents will include the necessary specifications to ensure compliance with the requirements from the Project's state and federal funding sources (i.e. WIFIA, CWSRF, Title XVI, IRWM).
- **60% Draft Standard and Special Provisions**
- **List of Specific Items Requiring Additional Consideration.**
- **60% Design Package Workshop** — We will plan, organize, and facilitate a workshop to review and discuss the 60% Design Package, including preparation of a meeting agenda, meeting materials, and meeting minutes.

Task 5B.2 90% Plans and Specifications

We will prepare a plans and specifications design package at an approximate completion level of 90%. We will incorporate review comments on the 60% Design Package submittal, where applicable. We will provide a direct response to each comment to affected parties. The 90% Design Package will be a complete project package, with design drawings, details, and specifications completed.

Specifications at this point will include proposed construction sequencing and constraints, general criteria, installation requirements and testing procedures, and a listing of proposed bid item breakdown. We will perform our agreed upon quality management procedures on 90% design submittals. The 90% Design Package will include plans and specifications as follows:

- **90% Draft Plans** — including site civil, landscaping, architectural, mechanical, electrical, instrumentation, details, and controls, as necessary. The 90% plans will include necessary construction specific mitigation measures to comply with the project environmental constraints, as well as regulatory agency requirements.
- **90% Draft Specifications** — including technical specifications and front-end documents (e.g., supplementary special conditions, Division 0 specifications).



Front-end documents will include the specifications to confirm compliance with State and Federal funding source requirements (i.e. EPA, WIFIA, CSWRCB, CWSRF, USBR, DWR, and IRWM).

- **90% Draft Standard and Special Provisions** —draft standard and special provisions as required to complete the design package.
- **Typical Details** —typical details as required to complete the design package.
- **List of Specific Items Requiring Additional Consideration.**
- **Legal Counsel Coordination** — coordinating with the City’s legal counsel to develop supplementary/special conditions, as necessary, to modify standard general conditions and front-end documents.
- **90% Plans and Specifications Workshop** —planning, organizing, and facilitating a workshop to review and discuss the 90% Plans and Specifications, including preparation of a meeting agenda, meeting materials, and meeting minutes.

Task 5B.3 Final Construction/Bid Documents

We will develop final construction/bid documents that incorporate comments received on the 90% Design Package. This will include changes identified during the quality management review into the final construction/bid documents. The intent is to prepare clear, complete, cross-checked bid-ready design documents. One final review will be completed to confirm compliance with permitting, funding/financing, and other final coordination items. Minimal final revisions will be made to produce a set of final construction/bid documents. These final construction/bid documents will be ready for advertisement.

Task 5B.4 Bid Phase Support Services

We will assist the City during the bid phase of the project as follows:

- **5B.4.1 Distribution of Documents** – support distribution of plans and specifications to prospective bidders utilizing the City’s preferred reproduction vendor, ASAP Reprographics.
- **5B.4.2 Responses to Questions and Bid Addenda** – assist the City in responding to contractor and supplier technical questions as they relate to the project plans and specifications during bidding and preparing addend, if required (2 anticipated).
- **5B.4.3 Pre-Bid Conference and Bid Opening** – attend and facilitate the pre-bid conference and bid opening conference for the project. We will respond to prospective bidder’s questions from these meetings (2 meetings anticipated).
- **5B.4.4 Bid Evaluation** – after the bid opening, review bids and make a recommendation for award of the construction project based on their qualifications and responsiveness to the bid package.



TASK 6: DESIGN AND CONTRACT DOCUMENTS

Our engineer's opinion of probable costs will be submittal along with the design packages discussed above (preliminary cost opinion, final cost opinion, final construction/bid documents cost opinion, and an estimated annual operation and maintenance cost). The project costs will be separated into the appropriate bid items to facilitate the City obtaining reimbursement from the WRF Program funding agencies.

Task 6.1 Preliminary Cost Opinion

We will develop a preliminary opinion of probable construction cost (cost opinion) to be submitted as part of the conceptual design report. This preliminary cost opinion will be commensurate with a Class 4 estimate as defined by the Association for the Advancement of Cost Engineering (AACE).

Task 6.2 Final Cost Opinion

We will update the intermediate cost opinion in conjunction with development of the 90% Plans and Specifications. Our final cost opinion will be commensurate with a Class 3 estimate as defined by AACE. In addition, we will prepare an estimate of the annual operations and maintenance costs for the project.

Task 6.3 Bid Cost Opinion

We will update the final cost opinion in conjunction with development of the Final Construction/Bid Documents. Our bid cost opinion will be commensurate with a Class 2 estimate as defined by AACE.

TASK 7: RIGHT-OF-WAY, EASEMENT AND/OR PROPERTY ACQUISITION SUPPORT

In the event permanent easements (PE), temporary construction easements (TCE), and/or access rights (right of entry [ROE]) are required, we have included right-of-way, easement, and/or property acquisition support in our proposal as follows. We will conduct easement and property rights research and prepare the schematics, maps, and descriptions necessary to complete notice, appraisal, negotiation, and easement procurement. Negotiations with property owners will be the responsibility of the City. We have added Hamner and Jewell to our team to perform these services and obtain the preliminary title reports described below. We have included a time and materials budget of approximately \$15,000 (3 title reports, 1 for each well site at \$2,000 per report, plus \$9,000 for appraisal/acquisition services). Should the effort exceed this estimate, we will work with the City on an appropriate adjustment to the scope and fee to accommodate the actual work.



Task 7.1 Preliminary Title Reports

We will assist the project team with determining potential locations where permanent easements, temporary construction easements, and rights of entry will be required for construction and operation of the project. Preliminary Title Reports (PTR) will be obtained to identify existing easements, leases, and other encumbrances that may affect the alignment of the pipelines. We acquire PTRs that will cover affected parcels. PTRs will be reviewed to confirm ownership information and plot exception items to evaluate possible impact on design and ROW acquisition. The intent of this work is to identify potential, significant delays related to easement procurement. PTR fees will be paid by the consultant and reimbursed by the City.

Task 7.2 Plat and Legal Document(s)

We will assist the project team with calculating permanent and temporary easements and prepare proposed ROW and appraisal maps. We will prepare legal descriptions and plats for each negotiated permanent and temporary easement or acquisition. We will assist in negotiations with property owners to secure easements and rights of entry, as necessary.

TASK 8 PERMITTING SUPPORT

Permitting support will include working with the project team to provide coastal development, regulatory agency, environmental, funding/financing agency, and construction permitting support.

Task 8.1 General Permitting Support

We will assist the project team by providing permitting support services for the WRF coastal development, regulatory agency, environmental, and funding agency permitting as well as approval requirements for the construction and operation of the project. Permitting support may include preparation of permit application materials, providing technical project details, participation in meetings, preparation of technical information and exhibits, and responding to requests for information from regulatory agency staff. Permit execution will be the responsibility of the project team. Given the difficulty of estimating scope and fee for this task, we have included a time and materials budget of approximately \$23,600. Should the effort exceed this estimate, we will work with the City on an appropriate adjustment to the scope and fee to accommodate the actual work.

Task 8.2 Construction Permitting Support

We will assist the project team in obtaining the construction permits and approvals necessary for the construction and operation of the project. This includes coordination with various agencies, including the State Water Resources



Control Board, Department of Drinking Water, US Fish and Wildlife Service, Army Corps of Engineers, and SLO County Air Pollution Control District. Construction permitting support may include preparation of permit application materials, participation in meetings, preparation of technical information and exhibits, and responding to requests for information from regulatory agency staff. The permit materials will be collated and submitted to regulatory agencies by the City or the project team. Given the difficulty of estimating scope and fee for this task, we have included a time and materials budget of approximately \$23,600. Should the effort exceed this estimate, we will work with the City on an appropriate adjustment to the scope and fee to accommodate the actual work.

TASK 9 ENGINEERING SERVICES DURING CONSTRUCTION

We will provide the following construction engineering support services during construction:

Task 9.1 Preconstruction Job Walk

We will schedule and facilitate a pre-construction job walk for the project team, contractor, and other applicable entities. The purpose of this activity is to review contractor understanding of the project plans, contract requirements, and design intent. (1 site visit anticipated.)

Task 9.2 Contractor Submittals

We will review and approve contractor material submittals for general compliance with the contract documents (60 anticipated).

Task 9.3 Requests of Information

We will review, document, track, and respond to Requests for Information (30 anticipated).

Task 9.4 Requests for Change

We will review, document, track, and respond to Requests for Change (8 anticipated).

Task 9.5 Change Orders

We will review Progress Payments and Change Orders (20 anticipated—12 progress payments and 8 change orders).

Task 9.6 Progress Meetings

We will attend reoccurring construction progress meetings and site visits (12 anticipated -once per month).



Task 9.7 Record Drawings

We will prepare record drawings following construction from mark ups by the contractor and construction manager. We will prepare record drawings in pdf and .dwg formats (80 sheets anticipated).

TASK 10 PROJECT STARTUP AND CLOSEOUT

Task 10.1 Startup and Closeout

We will provide support services for the startup and closeout of the project as requested. We anticipate three start up sessions—one four hour session for each of the three injection wells.

OPTIONAL TASKS

Optional Task 1 Embarcadero Pipeline/Morro Creek Crossing Design

If the abandoned seawater desalination intake pipeline is determined to be unusable for recycled water conveyance, we will prepare a detailed design and provide engineering services during construction for the recycled water pipeline along Embarcadero Road and crossing Morro Creek.

Optional Task 2 FEMA Flood Mapping

A portion of the project scope of work falls within the FEMA 100 and/or 500-year floodplain. We will include a subconsultant (such as Waterways Consulting, Inc.) and staff to provide floodplain inundation modeling and permitting support to construct infrastructure within the Morro Creek floodplain to maintain compliance with the State and Federal funding sources for the project.

Our initial approach will be to evaluate the site with respect to the baseline flood elevations (BFE) shown on the FEMA FIRM map and design finished floor elevations and equipment susceptible to flood damage at least 1-ft above the BFE. Given that the well sites have yet to be determined, we have included a time and materials budget of approximately \$40,000 (\$10,000 for each well site). Should the effort exceed this estimate, we will work with the City on an appropriate adjustment to the scope and fee to accommodate the actual work.

Optional Task 3 Outreach Plus Approach

We have estimated the outreach plus approach to be \$5,000 per month (based on what we know about the City's outreach expectations), and we have budgeted for three months. Subtasks may include the following:

- *Potable Reuse Strategic Communication:* This may include the development of a communications plan, messaging, and materials development that focus specifically on challenges and nuances of potable reuse.



- *Project Outreach Support Services:* This may include project outreach activities beyond the called for stakeholder meetings, such as informational materials development, website updates, media relations, events and tours and industry outreach support.

CLARIFICATIONS AND EXCLUSIONS

In addition to the Project Assumptions in Part II.A of the RFP, the following is our list of clarifications and/or specifically excluded services (those items that may accompany a project of this type but are excluded at this time):

- The City will provide timely delivery of all pertinent record information relative to the project.
- Cannon is not responsible and cannot be held accountable for the accuracy of as-builts or record drawings provided by the agencies or utility providers.
- As this proposal has been prepared without the benefit of a current title reports, it is assumed that there is a sufficient amount of available record information to adequately determine the location of the boundaries and encumbrances of the project corridor. Additional work resulting from patent or latent boundary ambiguities, or a lack of available records, may constitute an additional work effort that is not covered within this scope of services.
- Archeological, botanical, and biological services are excluded and are being performed by Others.
- CEQA is assumed to be prepared by the City's Environmental Consultant.
- All data prepared by others and provided to Cannon will be made available in a digital format, compatible with our systems. It is also understood that the information and technical data provided and prepared by others, on the Client's behalf or Property Owner's behalf, may be used by Cannon in performing its services and is entitled to rely upon the accuracy and completeness thereof.
- Cannon is not responsible and cannot be held accountable for the accuracy of as-builts or record drawings provided by the agencies or utility providers.
- Landscaping design services are excluded at this time as we need more definition on the actual well sites and City preferences before scoping.
- Cannon reserves the right to utilize the overall project funding and will not be held to approved phase or task limits, so long as the overall budget is not exceeded.
- On-site cross-connection surveys and retrofit design for end-users of recycled water (MB High School and Lila Keiser Park) are excluded at this time.

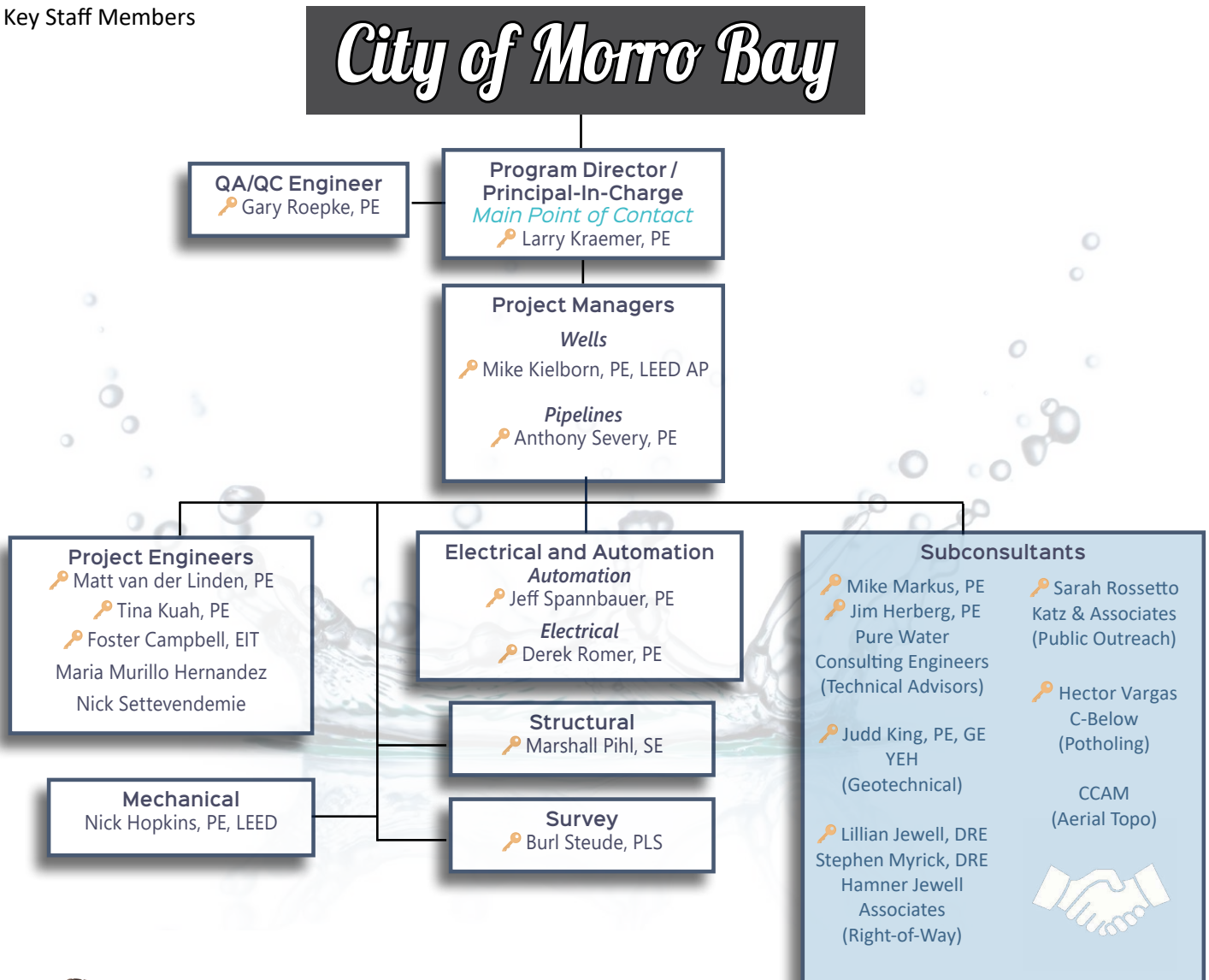


- *There will be three bid package submittals: 1. Drilling of the Injection, Monitoring, and Extraction wells; 2. Equipping the injection and extraction wells; and, 3. Constructing the recycled water and potable water pipelines.*
- Hazardous materials investigation and remediation is excluded.
- Public Outreach is included as an optional scope item.
- It is assumed that the City will directly pay all necessary permitting and plan check fees with all permitting and plan approval agencies.
- Items not specifically identified in the scope of service sections of this proposal are to be excluded and will be considered additional services. Additional work will be billed on a Time and Materials basis or other mutually acceptable method as an addendum to the original agreement with prior written authorization from City.



Organizational Chart

Key Staff Members



Program Director / Principal-In-Charge



Larry Kraemer, PE brings more than 35 years of civil engineering design experience for municipal projects, including complex water/wastewater systems. Mr. Kraemer previously worked with the Orange County Water and Sanitation Districts as a Senior Engineer on major water resource programs. As Cannon’s Director of Public Infrastructure, he provides oversight of design, resource allocation, construction, planning, contract administration, team/project management, and client sponsorship. Mr. Kraemer is detail-oriented, has astute troubleshooting skills, and takes an innovate approach to design.

As Program Director, Mr. Kraemer provides technical oversight of the design team; conducts meetings with City staff and subconsultants; provides project status updates, invoicing, and budget control; estimates cost and scheduling; and provides multi-agency coordination and public outreach.

EXHIBIT B
SPECIAL REQUIREMENTS
(Superseding Agreement Boilerplate)

NOT APPLICABLE

EXHIBIT C

SCHEDULE OF COMPENSATION

- I. City will compensate Consultant for the Services performed upon submission of a valid invoice, as described in Section 2.2.
- II. The total compensation for the Services shall not exceed the Contract Sum, as provided in Section 2.1 of this Agreement.
- III. The base fee, contingency, optional tasks, and total Agreement amount are as follows:

Base Fee

The Base Fee for this Agreement, not including the contingency or optional tasks, is (\$1,060,913). Consultant shall not be compensated for any services satisfactorily rendered in connection with its performance of this Agreement which are in addition to those set forth in the Base Fee included herein, unless such additional services are authorized in advance and in writing by the City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by the City Manager and Consultant at the time City's written authorization is given to Consultant for the performance of said services.

Contingency

The City Manager may approve additional work not to exceed ten percent (10%) of the Base Fee included in Exhibit C of One Million Sixty Thousand Nine-Hundred and Thirteen Dollars (\$1,060,913). In no event shall the sum of the authorized contingency exceed an amount of One Hundred and Six Thousand and Ninety-One Dollars (\$106,091).

Optional Tasks

Included in the Fee Estimate are three (3) optional tasks, which are described below.

(1) Optional Task 1 – Embarcadero Pipeline/Morro Creek Design & ESDC

For the scope of work for this optional task, see Exhibit A. If the City Manager determines to approve this optional task, this task shall be satisfactorily completed for the not-to-exceed cost of One Hundred Thirty-Four Thousand Seven Hundred and Sixty-Eight Dollars (\$134,768).

(2) Optional Task 2 – FEMA Flood Mapping

For the scope of work for this optional task, see Exhibit A. If the City Manager determines to approve this optional task, this task shall be satisfactorily completed for the not-to-exceed cost of Forty-Four Thousand, Two Hundred and Eight Dollars (\$44,208).

(3) Optional Task 3 – Public Education

For the scope of work for this optional task, see Exhibit A. If the City Manager determines to approve this optional task, this task shall be satisfactorily completed for the not-to-exceed cost of Twenty-Eight Thousand, Four Hundred and Sixteen Dollars (\$28,416). If the City Manager determines to approve any or all of the optional tasks described in Exhibit C, those tasks shall be satisfactorily completed for the not-to-exceed

costs of Two Hundred Seven Thousand Three Hundred and Ninety-Two Dollars (\$207,392).

Total Agreement Amount

The total amount for this contract, including the contingency and optional tasks, shall not exceed One Million Three Hundred Seventy-Four Thousand Three Hundred and Ninety-Six Dollars (\$1,374,396). Any additional work in excess of this amount must be approved by the City Council.

IV. Consultant shall perform the following tasks at the following rates: See the attached fee estimate on the next page.



FEE ESTIMATE
CITY OF MORRO BAY
RECYCLED WATER FACILITIES DESIGN AND ESDC SUPPORT SERVICES
MORRO BAY, CA

TASKS	Hourly Rate	Cannon																				Subconsultants						Reimbursables/ Additional Subconsultants	Total														
		Principal In Charge		Senior Principal Engineer II		Principal Engineer		Senior Project Engineer		Design Engineer		Project Technician		Sr. Principal Electrical Engr.		Sr. Principal Automation Engr.		Electrical/Auto mation Designer		Sr. Principal Structural		Assoc. Structural Engr.		Survey PLS/PM		Associate Surveyor					Two-Man Survey Crew (PW)		Geotech Engineering	Aerial Topo	Potholing	Right-of-Way / Property	IPR Specialists	Public Outreach					
		Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost				Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost	
Task 9 - Engineering Services During Construction																																											
9.1		8	\$2,160	8	\$2,048	8	\$1,880					16	\$1,840																											40	\$7,928		
9.2		8	\$2,160	64	\$16,384	32	\$7,520					48	\$5,520	48	\$12,480	48	\$11,760			30	\$6,600	30	\$5,400																	308	\$67,824		
9.3		8	\$2,160	20	\$5,120	16	\$3,760					8	\$920	20	\$5,200	20	\$4,900			8	\$1,760																			100	\$23,820		
9.4		8	\$2,160	20	\$5,120	16	\$3,760					8	\$920	8	\$2,080	8	\$1,960			8	\$1,760																			76	\$17,760		
9.5		8	\$2,160	20	\$5,120							8	\$920	8	\$2,080	8	\$1,960																							52	\$12,240		
9.6		12	\$3,240	12	\$3,072							8	\$920	12	\$3,120	12	\$2,940																							56	\$13,292		
9.7		8	\$2,160	8	\$2,048	8	\$1,880	48	\$9,552			8	\$920	4	\$1,040	4	\$980	40	\$6,400	8	\$1,760	16	\$2,880																			152	\$29,620
Subtotal		60	\$16,200	152	\$38,912	80	\$18,800	48	\$9,552	\$ -	104	\$11,960	100	\$26,000	100	\$24,500	40	\$6,400	54	\$11,880	46	\$8,280																	784	\$172,484			
Task 10 - Project Startup and Closeout																																											
10.1		12	\$3,240	12	\$3,072							12	\$3,120	12	\$2,940																									48	\$12,372		
Subtotal		12	\$3,240	12	\$3,072							12	\$3,120	12	\$2,940																							48	\$12,372				
TOTALS:		288	\$77,760	646	\$165,376	368	\$86,480	508	\$101,092	458	\$84,730	334	\$38,410	270	\$70,200	270	\$66,150	440	\$70,400	112	\$24,640	154	\$27,720	132	\$31,128	15	\$3,075	84	\$31,920	\$35,978	\$6,875	\$29,679	\$15,000	\$60,000	\$33,000	\$1,300	4079	\$1,060,913					
Optional Task 1 -																																											
Opt. 1		24	\$6,480	48	\$12,288	80	\$18,800	120	\$23,880	160	\$29,600													60	\$13,320			80	\$30,400											572	\$134,768		
Subtotal		24	\$6,480	48	\$12,288	80	\$18,800	120	\$23,880	160	\$29,600													60	\$13,320			80	\$30,400									572	\$134,768				
Optional Task 2 -																																											
Opt. 2		8	\$2,160	8	\$2,048																																			\$40,000	16	\$44,208	
Subtotal		8	\$2,160	8	\$2,048																																	\$40,000	16	\$44,208			
Optional Task 3 -																																											
Opt. 3		16	\$4,320	16	\$4,096																																			\$5,000	\$15,000	32	\$28,416
Subtotal		16	\$4,320	16	\$4,096																															\$5,000	\$15,000	32	\$28,416				

Fees are based on Cannon's current Fee Schedule. Staff billing rates are subject to annual increases within the ranges outlined in the Fee Schedule.
 Cannon's Reimbursable Expenses incurred in connection with this Project may include incidental and out-of-pocket expenses including but not limited to: costs for postage, shipping, overnight courier, reproduction services, plotting, photocopies, parking fees and tolls, meals, travel, mileage

EXHIBIT D

SCHEDULE OF PERFORMANCE

- I. I. Consultant shall perform all Services timely in accordance with the following schedule:**

See the attached preliminary schedule for services on the next page.

