



May 12, 2023

Mr. Casey Shepherd, Wastewater Resources Manager
City of El Paso de Robles
Wastewater Treatment Plant
3200 Sulphur Springs Road
Paso Robles, CA 93446

PROJECT: UNION ROAD REGIONAL LIFT STATION PROJECT - CITY OF PASO ROBLES, CALIFORNIA

Dear Mr. Shepherd:

The City of Paso Robles (City) is moving forward with the Union Road Regional Lift Station and Force Main Project. As we understand it, the intent of this project is the following:

- Provide a regional wastewater collection system lift station and force main to convey sewage away from the Union Road and Barney Schwartz Park area to the Water Reclamation Facility;
- Provide an extension of the City's wastewater collection system infrastructure to accommodate future growth; and
- Create an opportunity for property owners to transition from septic systems to the sewer system.

The City would like to complete the planning and design within 12 months. By doing so, the City can include this project and construction budget into the 2024-2025 budget cycle. In addition, this will allow appropriate time to coordinate with PG&E regarding electrical power service as well as to bid and implement construction documents in conjunction with the proposed developments.

Based on this understanding as well as discussions with City staff, we have developed the approach and scope of work including on the following pages.

If this proposal meets with your approval, please sign and return our Acceptance of Proposal page or provide a project-specific Professional Services Agreement (PSA) or change order to an existing PSA, any of which will serve as our Notice to Proceed. The fees quoted in this proposal are valid for 60 days from this date and are based upon current California prevailing wage.

Sincerely,

A handwritten signature in blue ink, appearing to read "Larry P. Kraemer".

Larry P. Kraemer, PE
Director, Public Infrastructure Division
C 44813



PROJECT UNDERSTANDING AND APPROACH

The City of Paso Robles (City) is planning to construct a new lift station and force main. The new regional lift station will be located at 2975 Union Road, north of Barney Schwartz Park and south of the tennis courts on the Paso Robles Sports Club property in Paso Robles. The lift station will convey wastewater through an existing 6-inch diameter force main located within Union Road. This existing force main was built in anticipation of this project. To connect the existing force main to the gravity sewer manhole located east of the intersection of Union Road and Tuley Road, another 1,700 linear feet (LF) of 6-inch force main is required. We have provided the Google Earth image below as a graphical depiction.



The regional lift station and force main will include the following features.

- Armorock wetwell equipped with two or three submersible sewage pumps (Hidrostal) and associated valve arrangement and vault for maintenance.
- Natural gas emergency generator set and automatic transfer switch with pig tail.
- Passive odor control similar to Lift Station No. 5.
- Night light with manual switch.
- Slated chain link fence with roll-away locking gate and minor landscaping modifications.
- Vector truck accessible and driveway approach to accommodate its weight.
- Wetwell storage to accommodate two-hour period at peak flow without overtopping.
- New six-inch force main approximately 1,700 LF in length.



SCOPE OF WORK

The following scope of work is based on our understanding of the project as outlined above, our experience with similar wastewater collection system lift station and force main projects, our previous work on Lift Station Nos. 5 and 6, and discussions with City staff.

Phase 1. Project Management and Preliminary Design

Tasks 1.1 through 1.3 - Project Management: Progress Meetings, Project Schedule and Coordination

Cannon will facilitate and attend a project kick-off meeting with appropriate personnel from the City. The meeting agenda will focus on project understanding, team involvement, and overall goals and objectives for the project. This meeting will also include a project introduction, review of background information and project scope, and an overview of the project schedule. This meeting represents a key opportunity for representatives from the City to steer the consultant team and further clarify critical elements of the project scope.

As work progresses, we will conduct monthly virtual progress meetings and at the 30% and 75% submittal stages.

Task 2 - 30% Design

We will conduct site visits and take photographs and measurements as necessary to facilitate development of conceptual and final design documents. We will review applicable plans, reports, and records to complete engineering design services for the project.

Task 2.1 - Utility Research and Potholing

We will conduct utility research with the public and private utility providers who have existing facilities within the proposed project areas using record drawings and as-built information. Potential utility conflicts and/or relocation requirements will be identified and evaluated as needed to reduce 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 described below. We have included a budget of \$15,000 for potholing services as an estimate. This number will likely vary depending on the results of our utility mapping. Once we develop our potholing needs, we will obtain quotes from reputable, local contractors to conduct potholing and we will seek authorization from the City for a budget adjustment should the actual costs vary from this initial estimate.

Task 2.2 - Review Previous Studies and Reports –

We will review and evaluate previously completed planning reports and preliminary design and analysis work and either confirm or recommend updates to criteria or assumptions depending on our findings and after discussing with the City. This evaluation will be documented in the Preliminary Design Memorandum.



Task 2.3 - Topographic and Record Data Boundary Survey

We will perform a topographic survey and record boundary information of the project sites shown above. Survey will be based on the City’s control network. The topographic survey of the site will include the following information:

- Elevations based on the City Vertical Control Datum.
- A minimum of three permanent benchmarks on-site, description, and elevation to the nearest one-hundredth of a foot.
- Contours represented with five-foot index and one-foot intermediate.
- Locations of visible above ground utilities, structures, and natural land features within the project area.
- Right-of-way and easement information will be shown on the topographic survey and will be based on found survey monuments with references to recorded maps.

Task 2.4 - Geotechnical Investigation and Evaluation

We will retain the services of Earth System Pacific (ESP) to prepare a project specific geotechnical investigation for the proposed lift station and force main design and construction. The investigation will include subsurface exploration, laboratory testing, soil type classification, groundwater investigation, and other sampling/testing as stated in the attached ESP letter proposal dated April 17, 2023. Findings and recommendations will be captured in a Geotechnical Engineering Report (GER). Staff will review a draft version of the GER prior to final submittal.

ESP will answer questions and address City comments following the review.

Task 2.5 - 30% Design Plans

We will provide 30% design plans within six months of receiving the Notice to Proceed from the City. The plan set will confirm the recommended lift station size, layout, and preliminary probable construction cost estimate. The design will essentially incorporate the features from the City’s sewer standards and their most recently completed facility, Lift Station No. 6.

Sheet Number	Drawing Number	Description
1	G1	Title Sheet: Sheet Index, Vicinity Map, Location Map, Signatures
2	G2	General Notes, Legend, Abbreviations, Symbols
3	G3	Geotechnical Borings, Pothole Information, Pavement Thicknesses
4	G4	Survey Control Data and Key Map
5	D1	Construction Details (1)
6	D2	Construction Details (2)
7	C1	6" Force Main – Plan and Profile (1)
8	C2	6" Force Main – Plan and Profile (2)
9	C3	Lift Station Demolition Plan
10	C4	Lift Station Site Plan
11	C5	Lift Station Grading Plan
12	C6	Lift Station Sections and Details (1)
13	C7	Lift Station Sections and Details (2)



Sheet Number	Drawing Number	Description
14	C8	Lift Station Site Retaining Wall Profiles
15	C9	Landscaping Modifications
16	S1	General Structural Notes
17	S2	Structural Details
18	E1	Electrical Abbreviations, Legend, and Symbols
19	E2	Electrical General Notes
20	E3	Electrical Single Line Diagram
21	E4	Electrical Site Plan
22	E5	Electrical Wiring Diagram
23	E6	Electrical Details
24	IC1	Process and Instrumentation Diagram (P&ID)
25	IC2	Control Panel Layout
26	IC3	AC and DC Power Distribution
27	IC4	PLC Base Inputs and Outputs
28	IC5	Expansion Slot 1 Analog In and Out Module
29	IC6	Expansion Slot 2 Analog In Module
30	IC7	Expansion Slot 3 Discrete Input Module
31	IC8	Communication Diagram

Task 2.6 - Preliminary Design Memorandum (PDM)

We will prepare a preliminary design report that identifies each relevant design item, and outlines the preferred design, right-of-way issues, geotechnical evaluation, constructability analysis, and estimated construction costs. The level of detail provided in the preliminary design memorandum will be equivalent to a 30% design effort for each major element of the project. The following will be gathered and/or prepared throughout the preliminary design and summarized in the PDM:

- Data necessary to develop lift station layout, mechanical, electrical, hydraulic equipment, instrumentation, VFD’s, controls, odor control, SCADA, and structures.
- A preliminary easement and right-of-way assessment identifying potential easement and right-of-way issues for the work location. This project is anticipated to be performed within District easements and within County right-of-way.
- Proposed force main alignment including approximate valve, pigging station, air/vacuum valve and pressure cleanout locations and compliance with separation requirements.

Formal PDM submittals will be prepared for distribution, with drawings reduced by 50% and printed on 11” x 17” reproducible paper, and written documentation printed on 8 ½” x 11” reproducible paper. The PDM will be submitted in Portable Document Format (.pdf). We assume the City will conduct a review of the material submitted and prepare consolidated comments for clarification or correction to us within two weeks of submittal.



Task 2.7 - PG&E Power Service Application and Coordination

Soon after the kick-off meeting, we will coordinate with PG&E in regard to the project and the City's desire to obtain a new electrical service for the proposed lift station. Based on the site location and layout evaluated during the PDM, we will contact PG&E to discuss the new loads and coordinate the installation of a new transformer and meter/main for the proposed site. The new transformer will be sized adequately for the new loads and verified with PG&E. We will assist the City to prepare the applications and secure the necessary approvals for a new electrical power service.

Phase 2. Detailed Design and Construction Documents

Task 3 - 75% Plans, Specifications, and Cost Estimates; and,

Task 4 - Final Plans, Specifications, and Cost Estimates

Based on the findings and results of previous tasks, we will prepare and submit design packages at 75% and Final-completion levels. The design packages will include plans and specifications, and cost estimates as follows.

Design packages will progress from 30% to 75% to Final with the Final package containing the details necessary to construct the project. Project services and deliverables will adhere to the City's requirements. As part of the 75% design submittal, we will assist the City in identifying locations of existing utilities to obtain pothole information to be used in the final design. We will prepare an exhibit showing the locations of existing utilities to be potholed. We will gather the pothole information once complete and incorporate the information and resolve conflicts in our design after submittals.

Drawings will be prepared using Civil3D 2021 or later. Plans will be prepared on City standard size 24"x 36" drawing sheets. A PDF copy of the plans will be submitted for review and comment by the City. Comments will be addressed, and revisions/corrections incorporated into 75% submittal. We will do the same for the Final submittals. After approval of the final plans, we will provide a PDF copy of plans for City use, and one digital with electronic drawings in both Bluebeam PDF and Civil3D 2021 format with external references (XREFs).

We will prepare a Bid Documents package for bidding based on the City's typical format. We will prepare a bid schedule, Special Provisions and Technical Specifications. One digital copy will be submitted for review and comment at the 75% and final levels of completion. After approval of the final specifications (specs), one digital copy of the final specs will be submitted for City use. We will prepare specifications using Microsoft Word and provide Bluebeam PDF copy as well.

We will prepare a construction cost estimate for the project with bid items listed as individual cost line items in the estimate. The cost estimate will match bid schedule items. One digital copy of the cost estimate will be included with the 75% and Final submittals for review and comment by the City. One copy of the final cost estimate will be submitted with the final plans and specs along with an electronic copy. Final cost estimates will not include a contingency but reflect our



best estimation of the actual construction cost. We will address the City comments following each review. Cost estimates will be prepared using Microsoft Excel and we will provide a Bluebeam PDF copy as well.

Phase 3. Bid Phase Support Services

Not included at this time.

Phase 4. Construction Phase Support Services

Not included at this time.

DELIVERABLES

- Project Management and Preliminary Design
 - Meeting minutes, project updates, correspondence with City staff
 - Geotechnical Engineering Report
 - 30% Plans at a detail level of approximately 30 percent complete (enough to illustrate major components, size, and layout)
 - Preliminary Design Memorandum
- Detailed Design and Construction Documents
 - Plans, Specifications, and Cost Estimates at the 75% and Final Completion Levels

ASSUMPTIONS AND EXCLUSIONS

Services, described below, that may accompany a project of this type are excluded from this scope of work at this time and may be added to our scope of work on a time-and-materials basis as deemed necessary by the City:

- 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.
- Core sampling of existing pavement along the force main alignment is not included in the scope at this time and will be submitted as a separate proposal if deemed necessary as work progresses through design.
- CEQA and environmental compliance are excluded from our scope and assumed to be prepared by the City.
- It is assumed that the City will provide all necessary title reports, permitting, and plan check fees with all permitting and plan approval agencies.
- Items not specifically identified in the scope of work 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 as an addendum with prior written authorization from City.



SCHEDULE

The City's goal is to complete the planning and design of the proposed lift station and force main within the next 12 months. As part of the project kick-off meeting, we will provide a baseline schedule for the work presented herein. Getting a new electrical service meter from PG&E can take upwards of 12 months from the time an application is made and will likely be a critical path issue.

FEES

Fees are based on current rates per the following work budget spreadsheet table (attached) and do not include Agency checking or recording fees, or title company fees. It is our understanding that this project qualifies for California prevailing wages.



2022/2023 Fee Schedule
Bill Rate Ranges
Subject to change

Assistant Resident Engineer	\$ 140 - \$ 169
Associate Engineer	\$ 157 - \$ 200
Associate Land Surveyor	\$ 185 - \$ 208
Associate Landscape Architect	\$ 158 - \$ 177
Automation Specialist	\$ 147 - \$ 165
Automation Technician	\$ 113 - \$ 127
CAD Tech	\$ 101 - \$ 113
CAD Manager	\$ 120 - \$ 134
Construction Inspector I - III	\$ 111 - \$ 154
Design Engineer	\$ 130 - \$ 158
Director/ Department Manager	\$ 187 - \$ 264
Engineer Tech	\$ 108 - \$ 121
Engineering Assistant I - II	\$ 92 - \$ 116
Grant Funding Manager I - II	\$ 141 - \$ 177
I&E Services Coordinator	\$ 103 - \$ 116
Information Systems Admin/Manager	\$ 120 - \$ 134
Land Surveyor	\$ 174 - \$ 196
Landscape Architect	\$ 118 - \$ 132
Landscape Designer I - II	\$ 103 - \$ 127
Lead Automation Specialist	\$ 162 - \$ 182
Lead Automation Technician	\$ 127 - \$ 143
Lead Designer	\$ 130 - \$ 149
Office Engineer / Document Control I-III	\$ 107 - \$ 140
Plan Check Engineer I - II	\$ 123 - \$ 165
Planner I - III	\$ 113 - \$ 143
Planning Assistant	\$ 92 - \$ 116
Principal Automation Specialist	\$ 176 - \$ 198
Principal Designer	\$ 120 - \$ 163
Principal Engineer	\$ 185 - \$ 244

Project Designer	\$ 114 - \$ 143
Project Engineer	\$ 141 - \$ 173
Resident Engineer	\$ 179 - \$ 201
Sr. Associate Architect	\$ 195 - \$ 219
Sr. Associate Engineer	\$ 173 - \$ 219
Sr. Automation Specialist	\$ 172 - \$ 193
Sr. Automation Technician	\$ 137 - \$ 154
Sr. CAD Tech	\$ 109 - \$ 122
Sr. Consultant / Principal-in-Charge	\$ 249 - \$ 297
Sr. Land Surveyor	\$ 203 - \$ 228
Sr. Landscape Architect	\$ 172 - \$ 193
Sr. Plan Check Engineer	\$ 169 - \$ 189
Sr. Principal Designer	\$ 130 - \$ 184
Sr. Principal Engineer	\$ 196 - \$ 266
Sr. Project Designer	\$ 114 - \$ 156
Sr. Project Engineer	\$ 147 - \$ 187
Sr. Resident Engineer	\$ 192 - \$ 216
Survey Assistant	\$ 103 - \$ 116
Survey Technician I - V	\$ 120 - \$ 183
Technical Writer I - IV	\$ 92 - \$ 116

Survey Crew Rates - Regular

One-Man Field	\$ 195
Two-Man Field	\$ 270
Three-Man Field	\$ 355
Two-Man - HDS	\$ 310

Survey Crew Rates - Prevailing Wage

One-Man Field	\$ 230
Two-Man Field	\$ 330
Three-Man Field	\$ 470

Electrical - Prevailing Wage

Electrician	\$ 185
-------------	--------

Building and Construction Inspector - Prevailing Wage

BCI Construction Inspector	\$ 150
----------------------------	--------

Forensics Engineering / Expert Testimony Fee Schedule Available Upon Request.

Other Direct Charges

Black Line Plots	\$2.00 per page	Color Plots	\$5.00 per page
Outside Reproduction	Cost + 15%	Travel and Related Subsistence	Cost + 15%
Automation & Electrical Materials	Cost + 25% (+tax)	Standard Mileage Rate	IRS Rate per mile
Subconsultant Fees	Cost + 10%	Airplane Mileage Rate	GSA Rate per mile
Technology Fee	\$30/Day		

All expenses, such as special equipment, shipping costs, travel other than by automobile, parking expenses, and permit fees will be billed at the actual cost plus 15%. If the client requests, or the client's schedule requires work to be done on an overtime basis, a multiplier of 1.5 will be applied to the stated rates for weekdays for daily hours in excess of 8 as well as weekends and a multiplier of 2.0 for daily hours in excess of 12 and holidays. If the client requests field services to be provided outside of normal working hours, a multiplier of 1.5 will be applied to the stated rates. For prevailing wage projects, if the client requests field services to be provided on any given Sunday, a multiplier of 2.0 will be applied to the stated rates; on or around an observed holiday, other rates may be applied. Survey Crews and Automation Field staff are billed portal to portal. A minimum charge of 4 hours will be charged for any Automation Field Service calls outside of normal working hours.

The stated rates are subject to change, typically on an annual basis.



PREVAILING WAGE INFORMATION REQUEST

Please complete and return this form to allow us to comply with California's prevailing wage requirements. Thank you!

Legal Name of Cannon	Cannon Corporation
PWC Registration No.	1000001861
Cannon Project Number	

PUBLIC WORKS PROJECT REGISTRATION INFORMATION:

Client's Project Name	
DIR Project ID (PWC-100)	
Applicable Bid Advertisement Date	
Client's Representative for DIR Project ID Information	Name: E-mail: Phone No.:
Labor Compliance Program (LCP) Applicable to this Project?	Yes <input type="checkbox"/> or No <input type="checkbox"/> If yes, please confirm if Cannon will be Subject to the LCP and provide a copy of the LCP manual to Cannon before the start of the project. Thank you.



ACCEPTANCE OF PROPOSAL

Proposal Date: May 12, 2023

Client: City of El Paso de Robles – Wastewater Treatment Plant
Attention: Mr. Casey Shepherd, Wastewater Resources Manager
3200 Sulphur Springs Road
Paso Robles, CA 93446

Project: UNION ROAD REGIONAL LIFT STATION PROJECT

Scope of Work: Survey and Engineering Design Services per letter proposal dated May 12, 2023.

T&M Not to Exceed: \$230,762.00
(Time & Materials not-to-exceed without prior written authorization.)

Appendix A details the terms for work. Cannon bills monthly for work in progress and payment is due within 10 calendar days of invoice date. Overdue amounts will be surcharged at 18 percent per annum or 1.5 percent monthly. Materials are charged at cost plus 25 percent. Reimbursable Expenses are included in fee estimate. The fees are based upon current California prevailing wages; please provide us with the DIR Project ID. If the client requests, or the client’s schedule requires work to be done on an overtime basis, a multiplier of 1.5 will be applied to the above rates for weekdays for daily hours in excess of 8 as well as weekends and a multiplier of 2.0 for daily hours in excess of 12 and holidays.

Please indicate your acceptance of this proposal by signing below.

In witness whereof, the parties hereto have caused this agreement consisting of proposal letter, Appendix A and any other necessary and applicable documents to be executed of the date and year first above written. In Appendix A, Cannon Corporation hereinafter referred to as Cannon. The Client, as noted below, hereinafter referred to as Client.

Client: City of El Paso de Robles

Cannon

x _____

Larry P. Kraemer, PE
Director of Public Infrastructure
C 44813

Date: _____

Date: May 12, 2023

APPENDIX A: TERMS FOR CANNON SERVICES

Section 1: The Agreement

- 1.1 The agreement between the above noted parties consists of the following terms, the attached proposal and any exhibits or attachments noted in the proposal. Together these elements will constitute the entire agreement superseding any and all prior negotiations, correspondence, or agreements either written or oral. Any changes to this agreement must be mutually agreed to in writing.

Section 2: Standard of Care

- 2.1 Data, interpretations, and recommendations by Cannon will be based solely on information provided to Cannon. Cannon is responsible for those data, interpretations, and recommendations, but will not be responsible for other parties' interpretations or use of the information developed.
- 2.2 Services performed by Cannon under this agreement are expected by the Client to be conducted in a manner consistent with the level of care and skill ordinarily exercised by members of this profession practicing contemporaneously under similar conditions in the locality of the project. No other warranty, expressed or implied, is made.
- 2.3 The Client agrees that Cannon may use and publish the Client's name and a general description of Cannon's services with respect to the project in describing Cannon's experience and qualifications to other Clients and prospective Clients. The Client also agrees that any patentable or copyrightable concepts developed by Cannon as a consequence of service hereunder are the sole and exclusive property of Cannon.
- 2.4 The Client recognizes that it is neither practical nor customary for Cannon to include all construction details in plans and specifications, creating a need for interpretation by Cannon or an individual who is under Cannon's supervision. The Client also recognizes that construction review permits Cannon to identify and correct quickly and at comparatively low-cost professional errors or omissions that are revealed through construction, or errors or omissions committed by others due to misinterpretation of design documents, or due to other causes. For the foregoing reasons construction review is generally considered an essential element of a complete design professional service. Accordingly, if the Client directs Cannon not to provide construction monitoring, Cannon shall be held harmless for any and all acts, errors or omissions, except for those consequences which it reasonably could be concluded that Cannon's review services would not have prevented or mitigated.
- 2.5 Client acknowledges that Cannon is not responsible for the performance of work by third parties including, but not limited to, engineers, architects, contractors, subcontractors, or suppliers of Client.

Section 3: Billing and Payment

- 3.1 Client will pay Cannon on a monthly basis to be billed by Cannon. Prior to the start of the project, a retainer as specified in the proposal, is required. Invoices for the balance will be submitted to Client by Cannon and will be due and payable within 10 days of invoice date. If Client objects to all or any portion of any invoice, Client will so notify Cannon in writing within fourteen (14) days of the invoice date, identify the cause of the disagreement, and pay when due that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice. In the absence of written notification described above, the balance as stated on the invoice will be paid.
- 3.2 Invoices are delinquent if payment has not been received within thirty (30) days from date of invoice. Client will pay an additional charge of 1-1/2 (1.5) percent per month or 18% per year of any delinquent amount, excepting any portion of the invoiced amount in dispute and resolved in favor of Client. All time spent and expenses incurred (including any attorney's fees) in connection with collection of any delinquent amount will be paid by Client to Cannon per Cannon's current fee schedule. In the event Client fails to pay Cannon within sixty (60) days after invoices are rendered, Client agrees that Cannon will have the right to consider the failure to pay Cannon's invoice as a breach of this agreement.
- 3.3 Client agrees that if Client requests services not specified herein, Client agrees to timely pay for all such services as extra work. Cannon will notify the Client prior to performance of services which are not specified in this agreement.
- 3.4 Client agrees that payment to Cannon is in no way contingent on the results of work by Cannon or on the outcome of any litigation.
- 3.5 Preparation for and/or travel time to client requested meetings will be charged at the hourly rate.
- 3.6 Billing rates are subject to change, typically on an annual basis.

Section 4: Additional Services

- 4.1 Additional services include making revisions in drawings, specifications or other documents when such revisions are:
Inconsistent with approvals or instructions previously given by the Client, including revisions made necessary by adjustments in the Client's program or project budget;
Required by the enactment or revision of codes, laws or regulations subsequent to the preparation of such documents.
- 4.2 Additional services includes providing services required because of significant changes in the project including, but not limited to, size, quality, complexity, the Client's schedule, or the method of bidding or negotiating and contracting for construction.
- 4.3 Where unexpected developments increase the scope of work as defined herein and/or prove the assumptions of this proposal invalid, Cannon will make a reasonable effort to contact the Client to discuss the effects and adjustment of cost.

Section 5: Site Access and Site Conditions

- 5.1 Client will grant or obtain free access to the site for all equipment and personnel necessary for Cannon to perform the work set forth in this agreement. Client will notify any and all possessors of the project site that Client has granted Cannon free access to the site. Cannon will take reasonable precautions to minimize damage to the site, but it is understood by Client that, in the normal course of work, some damage may occur and the correction of such damage is not part of this agreement unless so specified in the proposal.

Section 6: Ownership of Documents

- 6.1 All reports, maps, plans, field data, field notes, estimates and other documents, whether in hard copy or machine readable form, which are prepared by Cannon as instruments of professional service, shall remain the property of Cannon. The Client may retain copies, including copies stored on magnetic tape or disk, for information and for reference in connection with the occupancy and use of the project.
- 6.2 Because of the possibility that information and data delivered in machine readable form may be altered, whether inadvertently or otherwise, Cannon reserves the right to retain the original tapes/disks and to remove from copies provided to the Client all identification reflecting the involvement of Cannon in their preparation. Cannon also reserves the right to retain hard copy originals of all project documentation delivered to the Client in machine readable form, which originals shall be referred to and shall govern in the event of any inconsistency between the two.
- 6.3 The Client recognizes that changes or modifications to Cannon's instruments of professional service introduced by anyone other than Cannon may result in adverse consequences which Cannon can neither predict nor control. Therefore, and in consideration of Cannon's agreement to deliver its instruments of professional service in machine readable form, the Client agrees, to the fullest extent permitted by law, to hold harmless and indemnify Cannon from and against all claims, liabilities, losses, damages, and costs, including but not limited to attorney's fees, arising out of or in any way connected with the modification, misinterpretation, misuse or reuse by others of the machine readable information and data provided by Cannon under this Agreement. The foregoing indemnification applies, without limitation, to any use of the project documents on other projects, for additions to this project, or for completion of this project by others, excepting only such use as may be authorized, in writing, by Cannon.
- 6.4 Client agrees that all reports and other work furnished to Client or his agents, which is not paid for, will be returned upon demand and will not be used by Client or others for any purpose whatsoever.

Section 7: Client Responsibilities

- 7.1 The Client shall provide full information including a program setting forth the Client's design objectives, constraints, and construction budget criteria.
- 7.2 The Client shall furnish a legal description, a certified land survey, and the services of a soil, structural, mechanical, electrical or other engineer or consultant services, and laboratory tests, inspections, or reports as required by law or as requested by Cannon to perform the functions and services required of this agreement. The information shall be furnished at the Client's expense and Cannon shall be entitled to rely upon the accuracy and completeness thereof.
- 7.3 The Client shall furnish all legal, accounting and insurance counseling services as may be necessary at any time for the project, including auditing services the Client may require to verify the Contractor's Applications for Payment or to ascertain how or for what purposes the Contractor uses the moneys paid by the Client. The information above shall be furnished at the Client's expense, and Cannon shall be entitled to rely upon the accuracy and completeness thereof.
- 7.4 If the Client observes or otherwise becomes aware of any fault or defect in the project or nonconformance with the Contract Documents, prompt written notice shall be given by the Client to Cannon.

7.5 The Client shall furnish information and shall review Cannon's work and provide decisions as expeditiously as necessary for the orderly progress of the project and of Cannon's services.

Section 8: Insurance

8.1 Cannon represents and warrants that it and its agents, staff and consultants employed by it, is and are protected by worker's compensation insurance and that Cannon has such coverage under public liability and property damage insurance policies which Cannon deems to be adequate. Certificates for all such policies of insurance shall be provided to Client upon request in writing. Within the limits and conditions of such insurance, Cannon agrees to indemnify and save Client harmless from and against any loss, damage or liability arising from any negligent acts by Cannon, its agents, staff, and consultants employed by it. Cannon shall not be responsible for any loss, damage or liability beyond the amounts, limits, and conditions of such insurance. Cannon shall not be responsible for any loss, damage, or liability arising from any acts by Client, its agents, staff, and other consultants employed by Client.

Section 9: Termination

9.1 This agreement may be terminated by either party seven (7) days after written notice in the event of any breach of any provision of this agreement or in the event of substantial failure of performance by the other party, or if Client suspends the work for more than three (3) months. In the event of termination, Cannon will be paid for services performed prior to the date of termination plus reasonable termination expenses including the cost of completing analyses, records and reports necessary to document job status at the time of termination.

9.2 Failure of the Client to make payments to Cannon when due in accordance with this agreement shall be considered substantial nonperformance and cause for termination. If the Client fails to make payment when due to Cannon for services and expenses, Cannon may, upon seven (7) days written notice to the Client, suspend performance of services under this agreement. Unless payment in full is received by Cannon within seven (7) days of the date of the notice, the suspension shall take effect without further notice. In the event of a suspension of services, Cannon shall have no liability to the Client for delay, damage, loss of agency approvals, loss of financing, interest expenses, etc. caused to(?)the Client because of such suspension of service.

Section 10: Disputes Resolution

10.1 All claims, disputes, and other matters in controversy between Cannon and Client arising out of or related to this agreement will be submitted to "alternative dispute resolution" (adr) such as mediation and/or arbitration, before and as a condition precedent to other remedies provided by law. If and to the extent Client and Cannon have agreed on methods for resolving such disputes, then such methods will be set forth in the "alternative dispute resolution agreement" which, if attached, is incorporated and made a part of this agreement.

10.2 If a dispute at law related to the services provided under this agreement and that dispute requires litigation instead of adr as provided upon, then:

(1) The claim will be brought and tried in judicial jurisdiction of the court of the county where Cannon's principal place of business is located and Client waives the right to remove the action to any other county or judicial jurisdiction, and

(2) The prevailing party will be entitled to recovery of all reasonable costs incurred, including staff time, court costs, attorney's fees, and other claim related expenses.

Section 11: Assigns

11.1 Cannon shall not assign this agreement in whole or in part nor shall it subcontract any portion of the work to be performed hereunder; except that Cannon may use the services of persons or(?) entities not in our employ when it is appropriate and customary to do so. Such persons and entities include, but are not necessarily limited to, specialized consultants and testing laboratories. Cannon's use of others for additional services shall not be unreasonably restricted by the Client provided Cannon notifies the Client in advance.

Section 12: Governing Law and Survival

12.1 The law of the State of California will govern the validity of these terms, their interpretation and performance.

12.2 If any of the provisions contained in this agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions will not be impaired. Limitations of liability and indemnities will survive termination of this agreement for any cause.

Section 13: Limitation of Liability

- 13.1 To the fullest extent permitted by law, the total liability, in the aggregate, of Cannon and Cannon's officers, directors, employees, agents and independent professional associates and consultants, and any of them, to Client and anyone claiming by, through or under Client, for any and all injuries, claims, losses, expenses or damages whatsoever arising out of or in any way related to Cannon's services, the project or this agreement from any cause or causes whatsoever, including but not limited to the negligence, errors, omissions, strict liability or breach of contract of Cannon or Cannon's officers, directors, employees, agents and independent professional associates and consultants, or any of them, shall not exceed the total compensation received by Cannon under this agreement, or the total amount of \$50,000.00, whichever is greater.

Section 14: Hiring Cannon's Employees

- 14.1 From time to time, Clients who have come to know and work with our employees in the course of a project wish to hire them to work as the Client's own in-house employees. We pride ourselves on recruiting, hiring, and training the very best employees possible, and in assigning to projects our employees who best meet our Clients' individual needs. Our goal is to have our Clients view Cannon and its individual employees as indispensable.
- 14.2 Client agrees to pay Cannon a finder's fees equal to 12 months of the employee's current salary or wage for each of our employees whom the client(?) choose to hire, either directly or indirectly. Client acknowledges and agrees that the finder's fee is both fair and reasonable, and is equivalent to a recruiting or "headhunter's fee" that Client would expect to pay to a third party for locating and recruiting an employee of the caliber of the hired Cannon employee.
- 14.3 This Section 14 shall be limited to those of Cannon's employees with whom Client works or is introduced by Cannon during the course of this engagement, and shall be applicable to such employees both during his/her employment with Cannon and for a period of six (6) months thereafter. This Section 14 shall survive the cancellation or expiration of this Agreement.

Section 15: Prevailing Wage

- 15.1 Cannon acknowledges the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. To the extent required by the California Labor Code, Cannon shall fully comply with and require its subconsultants to fully comply with such Prevailing Wage Laws.
- 15.2 Pursuant to Labor Code Sections 1725.5 and 1771.1, Cannon and all its subconsultants performing work subject to prevailing wage must be registered with the Department of Industrial Relations and submit their certified payroll records directly to the DIR. In order to do so, the awarding body needs to complete the PWC-100 (Public Works Project Registration) within five days of awarding the contract; and provide Cannon with the DIR Project ID prior to the start of Cannon's work.