



Request for Proposals
for
Financial Advisory Services

DATE OF ISSUANCE:

May 28, 2024

PROPOSALS DUE:

June 21, 5pm PST

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REQUEST FOR PROPOSALS

I. INTRODUCTION

The Fairfield-Suisun Sewer District (District) is requesting Proposals from qualified firms to be a strategic partner with the District by providing financial advisory services including, but not limited to, evaluating financing options for major capital improvement projects, debt management, obtaining and enhancing credit ratings, long-term strategic financial planning, effectively pursuing State Revolving Fund (SRF) and Water Infrastructure Finance and Innovation Act (WIFIA) loans, managing bond issuances and alternative financing instruments.

During the proposal evaluation process, the District reserves the right, where it may serve the District's best interest, to request additional information or clarifications from the proposing consultant teams, or to allow correction of errors or omissions in this Request for Proposals (RFP). At the discretion of the District, proposing consultant teams may be requested to make oral presentations as part of the evaluation process.

The District reserves the right to retain all proposals submitted regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the proposing consultant team of the conditions contained in this Request for Proposal, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the District and the selected proposing consultant team.

The District shall use its Standard Contract for Services (Agreement) to enter into a contract with the selected proposing consultant team for the work specified herein. A copy of the Agreement is included as **Appendix B** of this RFP. Proposing consultant teams shall carefully review the Agreement prior to submission of a proposal and submit a statement that the terms and conditions of the Agreement are acceptable. Proposing consultant teams unable to comply with all the terms and conditions shall clearly indicate any exceptions to the Agreement.

The principal contact with the District will be:

James Russell-Field, Director of Administrative Services
707-428-9145, jfield@FairfieldSuisunSewer.ca.gov

Any questions on the content or intent of anything contained in this RFP shall be submitted in writing to the District's principal contact, and answers to those questions may be shared with all proposing consultant teams. **Questions related to the RFP are due by June 10, 2024 at 5pm, PST.** Questions received after this deadline will not be considered.

II. BACKGROUND AND PROJECT INFORMATION

The District is a special district that serves all territory within the Cities of Fairfield and Suisun City, as well as Travis Air Force Base and portions of unincorporated Solano County, California. The District is located in central Solano County, California, midway between San Francisco and Sacramento.

The District owns and operates one wastewater treatment plant rated for an average dry weather flow of 23.7 MGD. The District also owns and maintains all collection system assets within its service area that are 12 inches in diameter and greater. The District owns approximately 71 miles of gravity pipe. Smaller-diameter sewers are owned and maintained by the city in which they are located. The District also owns, operates, and maintains all wastewater pump stations and force mains within the District's service area.

The District adopted the FY 2024-25 Budget and Long-Term Financial Plan on May 20, 2024. With each annual budget adoption, the District also prepares a ten-year forecast. This forecast has been crucial in providing high-quality services to District customers and ensuring the wastewater system is adequately maintained.

The District has increased capital needs and Capital Improvement Program (CIP) projects in the current ten-year forecast, which extends to FY 2033-34. Approximately \$175.5 million of needs have been identified. To fund the ten-year forecast, the District has assumed that approximately \$46.4 million in external funding will be secured for construction of the Suisun Force Main Rehabilitation project, as well as design and construction of the Electrical Replacement Project Phase III and Electrical Replacement Project 12kV Distribution.

The District currently has two outstanding SRF loans for the Ultraviolet Disinfection and Blower Replacement Projects. Annual debt service for the SRF loans is approximately \$1.1 million per fiscal year.

III. SCOPE OF WORK

The goal of this RFP is to perform financial advisory services as requested. Financial advisory services may include, but are not limited to:

1. Providing as-needed financial advice regarding market conditions and trends, financial products, credit analysis, alternative financing, State or Federally subsidized loan programs, and other specialty financing.
2. Providing strategies for managing the District's current and future debt.
3. Assisting the District in drafting a Debt Management Policy to ensure the principles, controls, and guidelines for District debt are current and appropriate.
4. Developing and recommending financing structure options, including the development of specialized financial plans.
5. Assisting and advising the District on pursuit, requirements, and strategies related to SRF and WIFIA financing, as well as recommendations on securing tax advice related to Inflation Reduction Act credits.
6. Developing long-term financing needs assessments to ensure coverage for anticipated debt issuances and obligations, including preparing assumptions to be utilized in the next Cost of Service and Rate Study, which is anticipated to start in 2026 and set the rates for FY 2027-28 through FY 2031-32.
7. Managing the implementation of District-approved financing efforts. This includes advising and supporting the District with selecting members of the financing team (such as bond counsel and an underwriter), negotiating contracts with firms on the financing team and defining the tasks, schedule and deliverables of the members of the financing team. The selected financial advisor will be responsible for the performance of the entire financing team and arranging for any needed future reporting and maintenance.

8. Conducting independent analysis of financing alternatives, reviewing all aspects of negotiated pricings, monitoring performance of underwriting teams, post-issuance analyses, and all tasks during the process.
9. Providing other financial advisory services to the District as needed and serve as liaison with various stakeholders, including rating agencies. This includes, as required, participating in community engagement.
10. Providing all services in compliance with applicable State, Federal, and local laws and requirements.

In order to develop a strategic partnership and accomplish the scope of work, the District is anticipating a minimum Agreement term of **five years**. The District anticipates a time-and-materials contract with a not-to-exceed amount to be negotiated post-award.

IV. PROPOSAL REQUIREMENTS

1. Proposal Contents

Proposals shall be concise, well-organized, and demonstrate the proposing consultant team's capabilities and experience applicable to the project and the specific approach to satisfy the requirements of the RFP. Proposals shall include the following sections.

1. Title Page: Title page showing the proposal's subject; the firm's name; and the date of the proposal.
2. Table of Contents
3. Transmittal Letter: A signed letter of transmittal briefly stating the proposing consultant team's understanding of the work to be done, the commitment to dedicate a team to perform the work, a statement of why the proposing consultant team believes itself to be best qualified to perform the work, a statement that the proposal is a firm and irrevocable offer for ninety days from the proposal due date, and a statement acknowledging that the terms of the District's Standard Contract for Services are acceptable. Any amendments to the terms of the District's Standard Contract for Services must be included in the proposal.
4. Detailed Technical Proposal: The proposal shall clearly demonstrate the qualifications, competence, and capacity of the proposing consultant teams seeking to undertake the Scope of Work for the District in conformance with the requirements of this RFP. The substance of proposals will carry more weight than their form or manner of presentation. The proposal shall demonstrate the **qualifications of the firm and of the particular staff to be assigned to this project** and should specify a professional approach that will meet the Request for Proposal's requirements. The Technical Proposal should address all the points outlined in the Scope of Work, prepared in a straightforward and economical manner, and providing a concise description of the proposer's capability to meet the Scope of Work requirements. The following subjects must be included, at a minimum.
 - a. *Team Composition and Organization*: State the size of the proposing consultant team, the location of the office(s) from which the work on this project is to be performed and the number and nature of the professional staff to be employed in

this project. Describe how the project team will be organized and managed to ensure successful project delivery. Describe the qualifications and experience of subconsultant firms that are proposed, if any.

- b. *Relevant Experience and Similar Projects with Other Agencies:* For the proposing consultant team's office and staff that will be assigned responsibility for the work, describe the team's experience with projects of similar scope and complexity to this one. Highlight up to five significant projects performed in the last five years that are similar to the requested services in Section III, SCOPE OF WORK described in this RFP. Emphasize specific outcomes, unique expertise, and any innovative approaches the team or firm brings that directly relate to the Scope of Work. For each project highlighted, indicate the scope of work, date, project team leader, and the name, email address, and telephone number of the principal client contact.
- c. *Project Schedule:* Many of the services requested in Section III, SCOPE OF WORK are on an as-needed basis. Instead of providing a detailed schedule to complete the Scope of Work, which is contingent on the District's needs, the proposing consultant team should provide:
 - A general schedule outlining how the proposing consultant team will manage and deliver services in the Scope of Work on an as-needed basis, assuming an Agreement term of **five years**.
 - A recommended structure for the relationship between the proposing firm and District to ensure effective and efficient delivery of the as-needed services in the Scope of Work, which should include:
 - Methods of responding to service requests in a timely manner.
 - Processes for prioritizing and scheduling tasks.
 - Strategies for maintaining consistent communication and coordination with the District.
 - Any proposed tools or systems to facilitate the management of as-needed services.

Key Personnel: Submit resumes of the project manager and other key personnel being proposed to complete the work. For each key personnel, explain that person's availability to work on this project.

Legal Issues and Potential Conflict of Interest: The proposal must provide any pending investigations of the firm and any enforcement, settlement or disciplinary actions taken within the last five years against the firm or any proposed key personnel. Also note the firm's relationships with any broker-dealer and any fee structure or payments resulting from potential or current relationships that may present a conflict of interest.

Cost Proposal: The proposal shall include a schedule of labor rates for key personnel proposed to complete the services described in Section III, SCOPE OF WORK. The District anticipates finalizing a time-and-materials contract with a not-to-exceed amount to be negotiated post-award.

2. Proposal Submittal

Proposals will be accepted in ELECTRONIC FORMAT (PDF), by email. It is the proposing firm's responsibility to ensure receipt of the proposal by District staff prior to the deadline. Complete proposal should be sent as a single file to the following address:

James Russell-Field, Director of Administrative Services
jfield@FairfieldSuisunSewer.ca.gov

V. EVALUATION PROCEDURES

Review Committee: A Review Committee of District staff will evaluate Proposals.

Evaluation Criteria: Proposals will be evaluated using the following criteria:

1. **Mandatory Elements:** The proposing consultant team adheres to the instructions in this RFP on preparing and submitting the proposal.
2. **Expertise and Experience**
 - a. The proposing consultant team's past experience and performance on comparable projects.
 - b. The quality of the proposing consultant team's professional personnel to be assigned to the project and the quality of the firm's management support personnel to be available for technical consultation.
 - c. Size and structure of the proposing consultant team.
 - d. Organization of the project team.
3. The firm's technical approach reflects an understanding of the scope of work; is efficient and effective; and will most support the District's design and construction goals.
 - a. The proposed schedule for completing all tasks outlined in the RFP.
4. Proposed cost.

Oral Presentations/Interviews (if held): During the evaluation process, the Review Committee may, at its discretion, request any or all proposing consultant teams to make oral presentations and interview firms. Such presentations will provide proposing consultant teams with an opportunity to answer any questions the Review Committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

Final Selection: The District will select a proposing consultant team based upon the recommendation of the Review Committee.

Right to Reject Proposals: Submission of a proposal indicates acceptance by the proposing consultant team of the conditions contained in this Request for Proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the District and the firm selected. The District reserves the right to reject any or all proposals.

VI. PROPOSAL AND PROJECT SCHEDULE

Proposing consultant teams are advised of the following deadlines and key dates:

Project Schedule Milestone	Key Dates
Request for Proposals issued	May 28, 2024
Due date for Proposing team questions	June 10, 2024 at 5pm PST
Addendum for questions issued	June 12, 2024 at 5pm PST
Due date for Proposals	June 21, 2024 at 5pm PST
Interview (if held)	Week of July 8, 2024
Award of Contract	July 2024
Kickoff Meeting	August 2024

APPENDICES

APPENDIX A: Reference Documentation

Prospective consultants are directed to the following link to download the following reference documents:

1. **FY 2024-25 Budget & Long-Term Financial Plan**
<https://www.fairfieldsuisunsewer.ca.gov/wp-content/uploads/2024/05/FY-2024-25-Budget-Long-Term-Financial-Plan.pdf>
2. **FY 2022-23 Annual Comprehensive Report**
<https://www.fairfieldsuisunsewer.ca.gov/wp-content/uploads/2024/01/FY-2022-23-ACFR-Final.pdf>
3. **2022 Cost of Service and Rate Study**
<https://www.fairfieldsuisunsewer.ca.gov/wp-content/uploads/2022/02/Fairfield-Suisun-2022-Sewer-Rate-Study-1.24.22-Final.pdf>

APPENDIX B: Standard Contract for Services

CONTRACT FOR SERVICES

THIS AGREEMENT FOR Choose an item. ("Agreement") is entered into as of _____, ("Effective Date") between the FAIRFIELD-SUISUN SEWER DISTRICT ("District") and **CONSULTANT NAME** ("Contractor").

WITNESSETH:

WHEREAS, the District desires to contract for **Enter Project Name** which for the purposes of this Agreement shall be called "PROJECT," and,

WHEREAS, Contractor is willing and qualified to provide the services desired;

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements set forth in this Agreement, the sufficiency of which is acknowledged, the parties agree as follows:

I. DUTIES OF CONTRACTOR

A. The Contractor shall provide services required for the PROJECT as described in the Scope of Work, attached to and incorporated into this Agreement as Exhibit "A," which is incorporated in by reference.

B. Contractor agrees that Contractor and all of Contractor's employees and subcontractors hold, have obtained, and shall continue to maintain during the course of this Agreement, all licenses or other statutorily mandated certifications requisite to the performance of the work set forth in the Scope of Work, Exhibit "A," as may be required in the State of California, if any. Failure of Contractor, its employees and subcontractors to obtain and/or maintain in good standing such licenses or certification shall constitute a breach of this Agreement and shall provide grounds for immediate termination thereof.

C. Contractor shall perform the PROJECT work in such a manner as to fully comply with typical professional standards of care, including professional quality, technical accuracy, timely completion, and the coordination of designs, drawings, specifications, reports, and other services furnished and/or work undertaken by Contractor pursuant to this Agreement.

D. The District's approval of drawings, designs, specifications, reports, and incidental engineering work or other services or materials furnished by Contractor under this Agreement shall not relieve Contractor of responsibility for the technical adequacy of its work. Neither the District's review, approval or acceptance of, nor payment for, any of the services shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

E. Contractor shall not be relieved of any of the obligations or covenants contained in this Agreement until the tasks as set forth in Exhibit "A" have been completed.

It is agreed between Contractor and the District that those provisions of this Agreement which by their nature continue beyond termination of the Agreement, including but not limited to Sections VIII, IX, XI(F), and XI(G), shall continue beyond such termination.

II. DUTIES OF DISTRICT

The District, without cost to Contractor, will provide pertinent information reasonably available to it, which is necessary for performance by Contractor under this Agreement, including previous reports and data relative to the PROJECT. The District does not guarantee or ensure the accuracy of any reports, information, and/or data so provided. Contractor will use its professional judgment in the review and use of data so provided. However, Contractor will not be liable for any error or omission in any data furnished by the District and used by Contractor which could not reasonably be discovered by Contractor. To this extent Contractor is entitled to rely on data provided by the District.

III. COMPENSATION OF CONTRACTOR

A. Basis of Compensation: The District will pay Contractor for services provided under this Agreement on a Choose an item. **Enter Dollar Amount in Words** DOLLARS (\$**Enter Dollar Amount in Numbers**) in accordance with the Fee Schedule or Bid Schedule attached to and incorporated into this Agreement as Exhibit "B". When compensation is determined using hourly rates of Contractor's personnel and equipment assigned to the work, Contractor rates may be adjusted annually if proposed by Contractor and approved by the DISTRICT. Such rate adjustments shall not exceed five percent (5%) annually.

B. Change in Scope of Work: Adjustment in compensation for changes in scope of work authorized in writing by the General Manager of the District shall be based on the Fee Schedule, Bid Schedule, firm prices quotations, and/or rates set forth and attached as Exhibit "B." Changes in scope of work so authorized shall not exceed twenty percent of the total maximum fee. No payment shall be made for changes unless authorized in writing by the District.

C. Monthly Payment to Contractor: Upon submission of an invoice by Contractor, and upon approval of the District's authorized representative, the District will pay Contractor monthly in arrears for fees and expenses incurred up to the maximum amount reflected in Exhibit "B". The District will issue payment within thirty (30) calendar days after receipt of an invoice from Contractor, provided that all invoices are accompanied by cost documentation determined to be sufficient by the District to allow the determination of the reasonableness and accuracy of the invoice. If a payment dispute arises between the parties, Contractor shall provide to the District full and complete access to Contractor's project labor cost records and other direct project related cost data, and copies thereof if requested by the District.

D. Notification at 75% of Maximum Fee: Contractor shall notify the District when the costs incurred for the PROJECT work total approximately seventy-five percent (75%) of the maximum fee. With the notification, Contractor shall indicate whether the sum of the current costs incurred plus the estimated total cost to complete the task or tasks set forth in the Scope of Work, Exhibit "A," shall be greater or less than the maximum fee. Receipt by the District of said notification that the cost for completion of all tasks shall exceed the established maximum fee, will not constitute an approval or authorization to increase the established maximum fee or a waiver of any rights which the District may have under this Agreement.

E. Cost of Rework: Contractor shall, at no cost to the District, prepare any necessary rework occasioned by Contractor's failure to provide services required for the PROJECT as described in Exhibit "A" in a satisfactory manner, due to any act or omission attributable to Contractor, or its agents, including subcontractors. Nothing in this paragraph is intended to limit the liability of Contractor for damages which might arise from Contractor's negligence, willful misconduct, or breach of the covenants set forth in this Agreement.

V. TERM OF AGREEMENT

A. The term of this Agreement shall begin on the Effective Date and end on the date when the tasks set forth in Exhibit A have been completed or the agreement is otherwise terminated in accordance with Article VII.

B. Contractor agrees to immediately and diligently proceed with the Scope of Work and satisfactorily complete the PROJECT within the prescribed time as set forth in Exhibit A.

VI. CONTRACTOR'S ASSIGNED PERSONNEL

Contractor designates **Consultant Project Manager Name** to act as Project Manager for the performance of the work and for all matters relating to performance under this Agreement.

Contractor designates the following persons for the indicated functions:

Substitution of these assigned personnel will require the prior written approval of the District.

If the District determines that a proposed substitution is not acceptable, then, at the request of the District, Contractor shall substitute with a person acceptable to the District.

No subcontract shall be awarded, or an outside consultant engaged, by Contractor, unless Contractor has made written request to use such subcontractor or outside consultant and its request has been approved in writing by the District. No additional approval shall be required for subcontracting with or engagement of an

outside consultant identified in Exhibit "A." The written approval of the District resulting in the use of or engagement of a subcontractor or outside consultant does not relieve Contractor of the obligations or covenants set forth in this Agreement.

VII. TERMINATION

- A. The District may terminate this Agreement at any time, with or without cause, upon 30 day's written notice to Contractor.
- B. The District may terminate this Agreement immediately upon notice of Contractor's malfeasance. If the District terminates this Agreement pursuant to this subsection, nothing set forth in this Agreement is intended to require the District to compensate Contractor for any services which may be claimed to have been provided or be in progress, if the District reasonably concludes that further compensation is unwarranted.
- C. Upon receipt of a termination notice, Contractor shall: (1) promptly discontinue all services affected (unless the notice directs otherwise), and (2) deliver or otherwise make available to the District all data, information, and materials as Contractor may have prepared or developed in performing this Agreement, whether completed or in process, including, but not limited to, drawings, specifications, reports, estimates, summaries, software, and electronic files of all deliverables.
- D. Following termination, the District will reimburse Contractor for all expenditures made in good faith that are unpaid at the time of termination not to exceed the maximum amount payable under this Agreement unless Contractor is in default of this Agreement.
- E. Upon termination, Contractor's sole right and remedy shall be to receive payment for all amounts due and not previously paid to Contractor for services completed or in progress in accordance with the Agreement prior to the date of receipt of notice of termination and for services thereafter completed at the request of the District and any other reasonable cost incidental to such termination of services. Such payments available to Contractor under this paragraph shall not include costs related to lost profit associated with the expected completion of the work or other such payments relating to the benefit of the bargain.

VIII. INDEMNITY

Contractor shall indemnify, hold harmless and defend, in any actions at law or in equity, the District, its officers, employees, agents, and elective and appointive boards, from all claims, losses, damage, including property damage, personal injury, including death, and liability of every kind, nature and description, including attorneys' fees, to the extent arising from Contractor's operations, or from any persons directly or indirectly employed by, or acting as agent for, Contractor, excepting the sole negligence or willful misconduct of the District. Notwithstanding anything in this Agreement to the contrary, this indemnification

shall extend to such claims, losses, damage, injury, death, or other liabilities occurring after the completion of Contractor's operations, as well as during the progress of rendering such services.

Submission of insurance certificates or submission of other proof of compliance with the insurance requirements of this Agreement does not relieve Contractor from liability under this indemnification section. The obligations of this indemnification section shall apply whether or not such insurance policies have been determined to be applicable to any of such damages or claims for damages.

IX. INSURANCE

Contractor shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise out of or in connection with the performance of the work under this Agreement by Contractor, its agents, representatives, or employees.

A. MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, Workers' Compensation and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. **Professional Liability** (Errors and Omissions) Insurance appropriate to the Contractor's profession, with limit no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the District requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the District.

B. OTHER INSURANCE PROVISIONS

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured Status.** The District, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).
2. **Primary Coverage.** For any claims related to this Agreement, **the Contractor's insurance coverage shall be primary and non-contributory** and at least as broad as ISO CG 20 01 04 13 as respects the District, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the District, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.
3. **Umbrella or Excess Policy.** The Contractor may use Umbrella or Excess Policies to provide the liability limits as required in this Agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's primary and excess liability policies are exhausted.
4. **Notice of Cancellation.** Each insurance policy required above shall provide that coverage shall not be canceled, except with **30-day cancellation notice** to the District.
5. **Waiver of Subrogation.** Contractor hereby grants to District a waiver of any right to subrogation which any insurer of said Contractor may acquire against the District by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or

not the District has received a waiver of subrogation endorsement from the insurer.

6. **Self-Insured Retentions.** Self-insured retentions must be declared to and approved by the District. The District may require the Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or District. The CGL and any policies, including Excess liability policies, may not be subject to a self-insured retention (SIR) that exceeds \$50,000 unless approved in writing by District. Any and all SIRs shall be the sole responsibility of Contractor or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. District may deduct from any amounts otherwise due Contractor to fund the SIR. Policies shall NOT contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named. The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR. District reserves the right to obtain a copy of any policies and endorsements for verification.
7. **Acceptability of Insurers.** Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the District.
8. **Verification of Coverage.** Contractor shall furnish the District with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this **clause and a copy of the Declarations and Endorsements Pages of the CGL and any Excess policies listing all policy endorsements**. All certificates and endorsements and copies of the Declarations & Endorsements pages are to be received and approved by the District before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The District reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. District reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.
9. **Subcontractors.** Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that District is an additional insured on insurance required from subcontractors.
10. **Duration of Coverage.** CGL & Excess liability policies for any construction related work, including, but not limited to, maintenance, service, or repair work, shall continue coverage for a minimum of 5 years for Completed Operations liability coverage. Insurance must be maintained and evidence of

insurance must be provided **for at least five (5) years after completion of the contract of work.**

11. **Claims Made Policies (for Professional Liability).** If any of the required policies provide claims-made coverage:
- a. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.
 - b. Insurance must be maintained and evidence of insurance must be provided **for at least five (5) years after completion of the contract of work.**
 - c. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Contractor must purchase “extended reporting” coverage for a minimum of five (5) years after completion of work.

X. DEFAULT

A. If Contractor defaults in Contractor’s performance, the District shall promptly notify Contractor in writing. If Contractor fails to cure a default within 30 days after notification, or if the default requires more than 30 days to cure and Contractor fails to commence to cure the default within 30 days after notification, then the District may immediately terminate this Agreement at the District’s sole discretion.

If Contractor fails to cure default within the specified period of time, the District may elect to cure the default and any expense incurred shall be payable by Contractor to the District. The Agreement may be immediately terminated at the District’s sole discretion.

C. If the District serves Contractor with a notice of default and Contractor fails to cure the default, Contractor waives any further notice of termination of this Agreement.

D. If this Agreement is terminated because of Contractor's default, the District shall be entitled to recover from Contractor all damages allowed by law.

XI MISCELLANEOUS TERMS AND CONDITIONS

A. ASSIGNMENT

Contractor shall not assign any rights or duties under this Agreement to a third party without the prior written consent of the District.

B. INDEPENDENT CONTRACTOR

1. Contractor is an independent contractor and not an agent, officer or employee of the District. The parties mutually understand that this Agreement is between two independent contractors and is not intended to and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association.
2. Contractor shall have no claim against the District for employee rights or benefits including, but not limited to, seniority, vacation time, vacation pay, sick leave, personal time off, overtime, medical, dental or hospital benefits, retirement benefits, Social Security, disability, Workers' Compensation, unemployment insurance benefits, civil service protection, disability retirement benefits, paid holidays or other paid leaves of absence.
3. Contractor is solely obligated to pay all applicable taxes, deductions and other obligations including, but not limited to, federal and state income taxes, withholding, Social Security, unemployment, disability insurance, Workers' Compensation and Medicare payments.
4. Contractor shall indemnify and hold the District harmless from any liability which the District may incur because of Contractor's failure to pay such obligations nor shall the District be responsible for any employer-related costs not otherwise agreed to in advance between the District and Contractor.
5. As an independent contractor, Contractor is not subject to the direction and control of the District except as to the final result contracted for under this Agreement. the District may not require Contractor to change Contractor's manner of doing business, but may require redirection of efforts to fulfill this Agreement.
6. Contractor may provide services to others during the same period Contractor provides service to the District under this Agreement.
7. Any third persons employed by Contractor shall be under Contractor's exclusive direction, supervision and control. Contractor shall determine all conditions of employment including hours, wages, working conditions, discipline, hiring and discharging or any other condition of employment.
8. As an independent contractor, Contractor shall indemnify and hold the District harmless from any claims that may be made against the District based on any contention by a third party that an employer-employee relationship exists under this Agreement.
9. Contractor, with full knowledge and understanding of the foregoing, freely, knowingly, willingly and voluntarily waives the right to assert any claim to any right or benefit or term or condition of employment insofar as they may be related to or arise from compensation paid under this Agreement.

C. PROPRIETARY MATERIAL

The District does not authorize the impermissible use of any patent or the impermissible reproduction of any copyrighted material by Contractor in the performance of this Agreement. Contractor is solely responsible for any such use.

D. WAIVER

Any failure of a party to assert any right under this Agreement shall not constitute a waiver or a termination of that right, under this Agreement or any of its provisions.

E. NONDISCRIMINATION

1. In rendering services under this Agreement, Contractor shall comply with all applicable federal, state and local laws, rules and regulations and shall not discriminate based on age, ancestry, color, gender, marital status, medical condition, national origin, physical or mental disability, race, religion, sexual orientation, or other protected status.
2. Further, Contractor shall not discriminate against its employees, which includes, but is not limited to, employment upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.

F. OWNERSHIP OF DOCUMENTS

The District shall be the owner of and shall be entitled to possession of all rights, title, royalties and interest to and in all work product of Contractor resulting from its performance under this Agreement, including, but not limited to, drawings, specifications, data, reports, estimates, software, summaries, electronic files of all deliverables, and any other such information and materials as may be prepared or developed by Contractor in performing work under this Agreement, whether complete or in progress and none shall be revealed, disseminated, or made available by Contractor to others without prior consent of the District. If this Agreement is terminated in accordance with Section VII, Contractor shall deliver such documents within two weeks of receipt of a termination notice.

It is understood that Contractor's work product is prepared for this specific project. Any use of such work product by the District for a different project without Contractor's written approval shall be at the District's risk. Any use by District of an incomplete work product without Contractor's written approval shall be at District's risk.

G. EXAMINATION OF RECORDS

Contractor agrees that the District will have access to and the right to examine any directly pertinent books, documents, papers, and records of any and all

transactions relating to this Agreement at any time after the inception of the Agreement upon reasonable notice.

H.SCOPE OF AGREEMENT

This writing constitutes the entire Agreement between the parties relative to Contractor's services on the PROJECT, and no modification hereof shall be effective unless and until such modification is evidenced by a writing signed by both parties to this Agreement.

I. NOTICES

All notices from one party to the other shall be in writing and delivered or mailed to such party at its designated address as follows, or sent via facsimile transmission to such telephone number indicated as follows. Such notices shall be deemed to have been made: (1) when hand delivered; (2) as indicated by certified mail receipt; (3) five days after mailing by first class mail; or (4) as indicated on facsimile transmission receipt, if facsimile transmission is followed by prompt certified or first class mailing or hand delivery.

DISTRICT: Fairfield-Suisun Sewer District
 1010 Chadbourne Road
 Fairfield, CA 94534-9700
 Phone (707) 429-8930
 Fax (707) 429-1280

CONSULTANT: Consultant Name
 Consultant Address 1
 Consultant Address 2
 Phone Consultant Phone
 Fax Consultant Fax

J. APPLICABLE LAWS

Contractor shall perform this Agreement in accordance with all applicable federal, state, and local laws and regulations. This Agreement shall be construed in accordance with California law. Venue concerning any dispute shall be in Solano County.

Contractor and any subcontractors shall comply with the provisions of Labor Code Sections 1770 et seq., if applicable.

K.EXECUTION IN COUNTERPARTS

This Agreement may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument, it being understood that all parties need not sign the same counterpart. In the event that any signature is delivered by facsimile or

electronic transmission (e.g., by e-mail delivery of a ".pdf" format data file), such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or electronic signature page were an original signature.

IN WITNESS the parties have executed this Agreement on the day first above-written.

FAIRFIELD-SUISUN SEWER DISTRICT:

Signature

Title

NAME OF CONSULTANT FIRM:

Signature

Title

DIR Registration No. _____