



CITY COUNCIL MEETING

COUNCIL CHAMBERS, 33 SOUTH MAIN STREET, COLFAX, CA

MAYOR STEVE HARVEY • MAYOR PRO TEM TONY HESCH
COUNCILMEMBERS KIM DOUGLASS • MARNIE MENDOZA • WILL STOCKWIN



REGULAR MEETING AGENDA

November 8, 2017

Regular Session 7:00 PM

1. **CALL TO ORDER**

- 1A. **Call Open Session to Order**
- 1B. **Pledge of Allegiance**
- 1C. **Roll Call**
- 1D. **Approval of Agenda Order**

This is the time for changes to the agenda to be considered including removal, postponement, or change to the agenda sequence.

RECOMMENDED ACTION: By motion, accept the agenda as presented or amended.

2. **CONSENT CALENDAR**

Matters on the Consent Agenda are routine in nature and will be approved by one blanket motion with a Council vote. No discussion of these items ensues unless specific items are pulled for discussion and separate action. If you wish to have an item pulled from the Consent Agenda for discussion, please notify the Mayor.

RECOMMENDED ACTION: Approve Consent Calendar

2A. **Minutes – Regular Meeting October 25, 2017**

Recommendation: Approve the Minutes of the Regular Meeting of October 25, 2017.

2B. **Hach Supply Contract Renewal**

Recommendation: Adopt Resolution 48-2017 authorizing continuation of the contract with Hach Services for Maintenance of the UVAS sensor and Wastewater Treatment Plant supplies for 2018.

2C. **Pond 1 Levee Rejection of Bids**

Recommendation: Adopt Resolution 49-2017 authorizing the Interim City Manager to reject all bids received on November 1, 2017 for the construction of the Wastewater Treatment Plant Pond 1 levee Project and directing the City Engineer to re-bid the Project.

3. **PUBLIC COMMENT**

Members of the audience are permitted to address the Council on matters of concern to the public within the subject matter jurisdiction of the City Council that are not listed on this agenda. Please make your comments as brief as possible; not to exceed three (3) minutes in length. The Council cannot act on items not included on this agenda; however, if action is required it will be referred to staff.

4. **COUNCIL, STAFF AND OTHER REPORTS**

The purpose of these reports is to provide information to the Council and public on projects, programs, and issues discussed at committee meetings and other items of Colfax related information. No decisions will be made on these issues. If a member of the Council prefers formal action be taken on any committee reports or other information, the issue will be placed on a future Council meeting agenda.

4A. **Committee Reports and Colfax Informational Items - All Councilmembers**

4B. **City Operations Update – City staff**

4C. **Additional Reports – Agency partners**



5. PUBLIC HEARING

NOTICE TO THE PUBLIC: City Council will take the following actions when considering a matter scheduled for hearing:

1. Open the public hearing	2. Presentation by staff
3. Statement from applicant (if applicable)	4. Council comments and questions
5. Accept public testimony	6. Council comments and questions
7. Close public hearing. (No public comment is taken after the hearing is closed)	8. City Council action

Public hearings that are continued will be announced. The continued public hearing will be listed on a subsequent Council Meeting Agenda and posting of that agenda will serve as notice.

5A. Mitigation Impact Fees

Staff Presentation: Laurie Van Groningen, Finance Director

Recommendation: : Conduct a Public Hearing, review the Annual Report, consider public and staff comments, accept report and adopt Resolution № 50-2017: Accepting And Approving the Annual AB 1600 Mitigation Fee Report And Making Findings Pursuant To Colfax Municipal Code Chapter 3.56 And The Mitigation Fee Act (Government Code §66000 Et Seq)

6. COUNCIL BUSINESS

6A. Engineering Design Services for S. Auburn St and I-80 Roundabout Project

Staff Presentation: Dane Schilling, City Engineer

Recommendation: Adopt Resolution 51-2017 authorizing the Interim City Manager to execute an agreement with Omni-Means for Engineering Design on the S. Auburn St. and I-80 Roundabout Project in an amount not to exceed \$326,034, contingent upon Caltrans approval of the Architect and Engineering Procurement Process.

6B. Pavement Management Plan Update

Staff Presentation: Dane Schilling, City Engineer

Recommendation: For information only

6C. Wastewater Treatment Plant Laboratory Services

Staff Presentation: Wes Heathcock, Interim City Manager

Recommendation: Adopt Resolution 52-2017 authorizing the Interim City Manager to enter into a Contract Agreement with 49ER Water Services for laboratory services for fiscal year 2017/18 with an option to extend the contract in years two and three.

6D. Employee Benefit Offering – Flexible Spending Account

Staff Presentation: Lorraine Cassidy, City Clerk

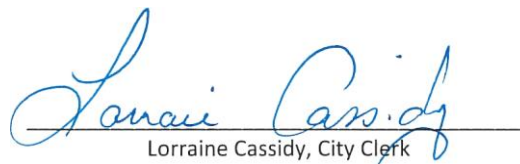
Recommendation: Adopt Resolution 53-2017 authorizing the Interim City Manager to execute an agreement with Basic Pacific to administer Flexible Spending Accounts on the behalf of City Employees.

7. GOOD OF THE ORDER - INFORMAL COUNCIL STATEMENTS REGARDING THE BUSINESS OF THE CITY

Informal observation reports and inquiries regarding the business of the City may be presented by Council members under this agenda item or requests for placement of items of interest on a future agenda. No action will be taken.

8. ADJOURNMENT

I, Lorraine Cassidy, City Clerk for the City of Colfax declare that this agenda was posted at Colfax City Hall and the Colfax Post Office. The agenda is also available on the City website at www.Colfax-ca.gov.


Lorraine Cassidy, City Clerk

Administrative Remedies must be exhausted prior to action being initiated in a court of law. If you challenge City Council action in court, you may be limited to raising only those issues you or someone else raised at a public hearing described in this notice/agenda, or in written correspondence delivered to the City Clerk of the City of Colfax at, or prior to, said public hearing.





City of Colfax
 City Council Minutes
 Regular Meeting of Wednesday, October 25, 2017
 City Hall Council Chambers
 33 S. Main Street, Colfax CA

1 OPEN SESSION

1A. **Call to Order**

Mayor Harvey called the meeting to order at 7:00PM.

1B. **Pledge of Allegiance**

Joshua Alpine, Placer County Water Agency Board Director, led the Pledge of Allegiance.

1C. **Roll Call**

Council members present: Douglass, Harvey, Hesch, Mendoza, Stockwin

1D. **Approval of Agenda Order**

On a motion by Councilmember Stockwin, seconded by Mayor Pro Tem Hesch, the City Council approved the agenda order.

AYES: Douglass, Harvey, Hesch, Mendoza, Stockwin

2 PRESENTATION

2A. **Placer County Water Agency (PCWA) Proposed Zone 6 Water Rates**

Joe Parker, Director of Financial Services and Brent Smith, Director of Technical Services

Mr. Parker and Mr. Smith gave a PowerPoint presentation to explain the processes the Agency used to develop a new rate structure.

Council and the public asked questions regarding the age of Colfax water facilities and potential funding sources from the State.

Mr. Joshua Alpine, Elected Director of PCWA of District 5 explained the aging infrastructure in our area and the small population size has created an extra burden of higher water rates for Colfax residents. Therefore, PCWA has opted to spread the costs over the entire system. Local residents will still see an increase in rates, but not as much as it would have been without the rate restructuring. Charges will now be assessed monthly rather than bi-monthly.

3 CONSENT CALENDAR

3A. **Minutes - City Council Meeting October 11, 2017**

Recommendation: Approve the Minutes of the Regular Meeting of October 11, 2017.

3B. **Cash Summary Report – September 2017**

Recommendation: Receive and file.

3C. **Quarterly Investment Report – Quarter ending September 2017**

Recommendation: Receive and file.

3D. **Sales and Use Tax**

Recommendation: For information only.

3E. **Whitcomb Avenue Development Proposal CEQA Document Preparation – Award of Contract**

Recommendation: Adopt Resolution 45-2017 authorizing the Interim City Manager to execute an agreement with the The RCH Group for the Whitcomb Avenue CEQA Document in an amount not to exceed \$20,940.

Mayor Pro Tem Hesch asked to pull Item 3E from the Consent Calendar.

On a motion by Councilmember Stockwin, seconded by Mayor Pro Tem Hesch, Council approved Items 3A-3D of the Consent Calendar.

AYES: Douglass, Harvey, Hesch, Mendoza, Stockwin

Item 3E: Whitcomb Avenue Development Proposal CEQA Document Preparation – Award of Contract

Mayor Pro Tem Hesch asked for a map of the subject property. Staff provided a copy for each Councilmember.

On a motion by Mayor Pro Tem Hesch, seconded by Councilmember Stockwin, Council approved Item 3E of the Consent Calendar.

AYES: Douglass, Harvey, Hesch, Mendoza, Stockwin

4 **PUBLIC COMMENT**

Foxy McCleary, 127 Saunders Lane

- On behalf of the VFW, Ms. McCleary announced the Veteran's Day event has been cancelled.
- On behalf of the Colfax Garden Club, she mentioned the Club plans to include lights to create an even more festive look on the Hanging Baskets downtown during the Holiday season.

LindaLou Haines, Canyon View Senior Apartments

- Ms. Haines suggested reading the summary of any ordinance that is considered by Council during at least one of the meetings in which it is presented rather than just reading by title only.

Tim Ryan, 300 South Main Street

- Mr. Ryan thanked Council and staff for putting the Sewer Rate FAQ together. It is very well written and helpful. He suggested the FAQ's should be placed on the website.

Tom Parnham, West Oak Street

- Mr. Parnham requested Council rearrange the agenda so Public Comment is scheduled after Council, Staff and Other Reports.

5 **COUNCIL, STAFF, AND OTHER REPORTS**

5A. **Committee Reports and Colfax Informational Items – All Councilmembers**

Councilmember Mendoza

- Councilmember Mendoza reminded the public it is essential to follow Law Enforcement directives during emergencies. She requested prayer for families and victims of the Northern California fires, some of whom she knows personally.
- She enjoyed meeting Robert S. Wells, author of Voices from the Bottom of the South China Sea which includes passages relating directly to the history of Colfax.

Councilmember Stockwin

- Councilmember Stockwin attended the Chamber Mixer.
- He reported from the Placer County Mosquito and Vector Control District. The District is testing cutting edge technology to measure mosquito populations.
- He complimented City Clerk Cassidy on the quality of the minutes from the last meeting.

- He gave a seasonal update on rainfall – this season’s rainfall total is 0.8 inches as opposed to 8 inches last year.

Councilmember Douglass

- Councilmember Douglass attended the Chamber Mixer.
- He represented the City at a SACOG Smart Cities meeting.
- He also attended a cannabis workshop with presentations from Placer County and Yolo County, among others.

Mayor Pro Tem Hesch

- Mayor Pro Tem Hesch reported from the Placer County Transportation Planning Agency meeting. The Executive Director, Celia McAdams, has decided to postpone her retirement to give the Agency time to find a suitable replacement. Ms. McAdams has been directly responsible for Colfax receiving at least \$3 million in grants in recent years.
- He made several announcements for upcoming events: Lions Club Community Dinner on November 7th from 5-7PM; Free green waste disposal at the corp. yard on Saturday, October 28th; A Winterfest fundraiser is scheduled for November 3rd at the Sierra Vista Community Center. Dinner will be served from 6-8PM and the Chamber is asking for a \$5 donation.
- He commented on the quality of the FAQ sheet regarding sewer rates and stated he would like the City to create more FAQ’s in the future. He suggested the next FAQ should explain property rights and City limitations for code enforcement.
- He also asked staff to post the FAQ’s on the City website.
- Mayor Pro Tem Hesch mentioned Union Pacific will be celebrating the 150th year of the Transcontinental Railroad and has offered to present a Golden Spike to Colfax. Union Pacific will participate in any size celebration the City requests.

Mayor Harvey

- Mayor Harvey represented the City at the Air Quality Control Board meeting.

5B. City Operations – City Staff

Interim City Manager Heathcock

- Interim City Manager Heathcock reported Staff has evaluated the bids for engineering of the Roundabout and selected Omni Mean’s proposal. Staff plans to bring their contract to the next meeting for Council’s approval.
- He stated the funding is in place for the Rising Sun paving project which should commence next summer.

5C. Additional Reports – Agency Partners

Officer Chris Nave, California Highway Control Gold Run Public Information Officer

- Officer Nave stated CHP is focused on reminding folks to have a safe Halloween.
- Officer Nave will be conducting a winter safety driving course, most likely in Roseville, hopefully to teach folks how to handle ice, snow and winter storms.

Sergeant Ty Conners, Colfax Substation Commander Placer County Sheriff

- Sergeant Conners announced the substation will host a medication drop-off day on Saturday, October 28th.
- He relayed a message from the Placer County District Attorney (DA). DA Scott Owens has expressed his disappointment with the decision to allow a marijuana dispensary in Colfax.

- Sergeant Conners and Interim City Manager Heathcock plan to meet with the Project Manager for Code Enforcement of Marijuana in Sacramento County. Because there is no definitive blood test to detect driving under the influence of marijuana, every deputy will need extra training to be certified as a drug recognition expert.

Tim Ryan, Board Member for the Colfax Chamber of Commerce

- Mr. Ryan reminded everyone of the upcoming Winterfest fundraiser which will be held Friday, November 3rd from 6-8PM with food provided by Paul Raj. The Chamber is asking for a \$5.00 donation for each meal.
- The Chamber is accepting volunteers for Board members for the upcoming year.
- Mr. Ryan stated the Chamber and Museum will be open until 6:00PM with candy and treats on Halloween Night.

6 **PUBLIC HEARING**

6A. **County Presentation, Public Hearing, Second Reading and Adoption of an Ordinance of the City of Colfax Regulating Cannabis Cultivation, Commercial Cannabis Activities, Cannabis Manufacturing, Cannabis Dispensaries and Cannabis Delivery**

STAFF PRESENTATION: Mick Cabral, City Attorney

RECOMMENDATION: Receive a presentation from Placer County representative, conduct a public hearing, waive the second reading and adopt the proposed ordinance.

Mayor Harvey opened the Hearing at 8:17PM.

Placer County Agricultural Commission Joshua Huntsinger gave a PowerPoint presentation with a basic summary and overview of the Placer County Cannabis Ordinance. He stated it is a fairly restrictive ordinance. A major goal of the ordinance is to provide a simple and timely mechanism for code enforcement.

Council and staff questioned Mr. Huntsinger about details of the ordinance to clarify costs, compliance issues and safety regulations. They thanked Mr. Huntsinger for presenting the background information regarding the ordinance.

City Attorney Cabral reminded Council the intent of this ordinance, which mirrors the County's, is to have regulations in place which will preclude state regulations from taking precedence over what is in the best interest of this community. Council has the option to revisit or modify the ordinance as it sees fit.

Council gave staff suggestions on how to modify the ordinance to clarify a few concerns. They would like to see the wording regarding Mr. Dion's dispensary modified to include a definition of "nuisance" which is a legal term, and to allow Mr. Dion to temporarily close ONLY if he first requests a waiver in writing.

Council received public comment from several individuals:

Tom Parnham, West Oak Ave, spoke against rushing into passing this ordinance.

Jim Dion, area resident, stated there are many flaws in this ordinance.

Stacie Younggren, area resident, stated it would be better to fix this ordinance now than revisit it later.

Richard Miller, Placer County resident, stated this ordinance is effectively a ban on marijuana with a monopoly for Mr. Dion.

Councilmember Stockwin asked City Attorney Cabral to explain again why Colfax needs to adopt the ordinance now.

City Attorney Cabral reminded the public that without a City ordinance, State regulations will apply and it would be difficult to reverse any permits or policies the State may establish.

Mayor Harvey mentioned the League of California Cities highly recommends every California City adopt an ordinance.

CHP Officer Nave stated Council should be aware that most complaints regarding marijuana issues are informal and would probably not be in law enforcement statistical records.

Placer County Agricultural Commissioner Huntsinger clarified the process the state will employ to issue permits.

City Attorney Cabral commented the State has not issued a statement regarding what aspects of the marijuana industry will be permitted or not be permitted. This ordinance will avoid confusion in the City. It is essentially buying the Council time to thoroughly examine each component of the industry and put regulations in place which make sense to the Council.

Mayor Harvey closed the Public Hearing at 9:17PM.

Mayor Pro Tem Hesch moved that Council waive the second reading and adopt the proposed ordinance as printed. Councilmember Stockwin seconded the motion. Council took a roll call vote.

Ayes: Douglass, Hesch, Mendoza, Stockwin

Nayes: Harvey

The motion passed.

Interim City Manager Heathcock stated he will set up a time soon to meet with Mayor Pro Tem Hesch and Councilmember Stockwin to discuss how the ordinance may be modified in the future. Councilmember Stockwin suggested the meeting schedule for the Cannabis Subcommittee could be posted at City Hall.

7 COUNCIL BUSINESS

7A. Goals Update

STAFF PRESENTATION: Wes Heathcock, Interim City Manager

RECOMMENDED ACTION: For information only.

Interim City Manager Heathcock noted Council has added several Tier 1 goals to the list of original goals. Staff deserves special recognition for the amount of projects which have been accomplished with less staff. He noted the City is in the process of engaging a property manager to administer leases for two City owned properties, the railcar and an office space in the Depot. This one of the items which has been added to the goals list and which is progressing well.

7B. Sierra Property Development Digital Billboard Extension.

STAFF PRESENTATION: Wes Heathcock, Interim City Manager

RECOMMENDED ACTION: Adopt Resolution 46-2017 authorizing the Interim City Manager to execute the First Amendment to the Digital Billboard Sign and Relocation Agreement with Sierra Property Development.

Interim City Manager Heathcock explained the City has an agreement with Sierra Property Development (SPD) to allow SPD to create four digital billboard faces at two locations by November 2017. One of the locations is fully developed and SPD is asking for a 3 year time extension to develop the second location. Staff recommends Council authorize the amendment to the original contract to accommodate an extension. Mr. Townsend of SPD is present to represent the company.

Council was amenable to the extension.

There was no public comment.

On a motion by Mayor Pro Tem Hesch and a second by Councilmember Stockwin, Council adopted Resolution 46-2017 authorizing the Interim City Manager to execute the First Amendment to the Digital Billboard Sign and Relocation Agreement with Sierra Property Development

Ayes: Douglass, Harvey, Hesch, Mendoza, Stockwin

7C. **Sewer Rate Study Award of Contract for Professional Services**

Staff Presentation: Wes Heathcock, Interim City Manager

Recommendation: Adopt Resolution 47-2017 authorizing the Interim City Manager to execute an agreement with Rural Community Assistance Corporation to conduct a Sewer Rate Study in an amount not to exceed \$27,500 and amend the budget to reflect the actual cost of the Sewer Rate Study.

Interim City Manager Heathcock explained the Sewer Rate Study will be a comprehensive examination of the rate structure for Wastewater Treatment, and compliance with Proposition 218 standards. The City now has an effective Capital Improvement Projects list to incorporate into projected costs and appropriate reserve funding plans. The City received 6 proposals in response to the request for proposals (RFP) for the Sewer Rate Study. Staff determined, with the help of Mayor Pro Tem Hesch, RCAC will best fit the City's needs. The RCAC team has an intimate knowledge of State Water Board Grants and the 218 process. In fact, the State brought RCAC into Colfax to assist with the 218 process for the last Sewer Rate Study. Mary Fleming and Karen McBride from RCAC are here to answer questions.

Councilmember Stockwin mentioned the RFP specifically asked for an organization which could offer creative solutions for costs savings and asked RCAC how they address this request.

Ms. Fleming stated her company will look at cost savings and creative solutions to lower payments on the loans – either gap funding through the State – or special interest rates. The City of Colfax may qualify for grants because it is designated as a Medium Household Income Community (which is not calculated the same as CDBG designations). RCAC will work with the City to address community concerns.

Councilmember Douglass confirmed the Sewer Rate Study is required at this point and not just another way for the City to spend money.

There was no public comment.

On a motion by Councilmember Stockwin, seconded by Councilmember Douglass, Council unanimously adopted Resolution 47-2017 authorizing the Interim City Manager to execute an agreement with Rural Community Assistance Corporation to conduct a Sewer Rate Study in an amount not to exceed \$27,500 and amend the budget to reflect the actual cost of the Sewer Rate Study.

AYES: Douglass, Harvey, Hesch, Mendoza, Stockwin

8 **GOOD OF THE ORDER – INFORMAL COUNCIL STATEMENTS REGARDING THE BUSINESS OF THE CITY**

Councilmember Douglass stated the City needs to review the Emergency Management Plan to prepare for catastrophes.

Councilmember Stockwin deferred his time to speak to Sharon Conners, area resident.

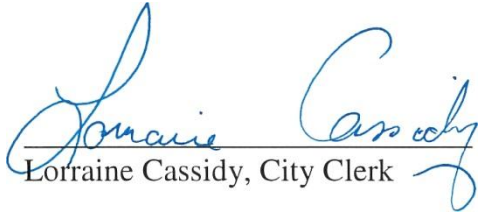
Ms. Conners stated everyone at the Council meeting needs to act in a professional manner.

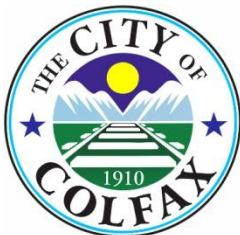
Mayor Pro Tem Hesch and a member of the public were in a heated discussion earlier in the meeting. Mayor Pro Tem Hesch apologized.

9 ADJOURNMENT

As there was no further business on the agenda, Mayor Harvey adjourned the meeting at 9:45PM.

Respectfully submitted to City Council this 11th day of November, 2017


Lorraine Cassidy, City Clerk



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE NOVEMBER 8, 2017 COUNCIL MEETING

FROM: Wes Heathcock, Interim City Manager
PREPARED BY: Staff
DATE: November 2, 2017
SUBJECT: Renewal of Hach Services Contract

<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT: approx. \$7,000	FROM FUNDS: 560
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RECOMMENDED ACTION: Adopt Resolution 48-2017 authorizing continuation of the contract with Hach Services for Maintenance of the UVAS sensor and Wastewater Treatment Plant supplies for 2018.

DISCUSSION AND SUMMARY:

Wastewater treatment operations require very complex and sophisticated equipment to treat sewage and reclaim water to the highest standards and meet State of California Water Board requirements. One component of the system at the Colfax Wastewater Treatment Plant, the UVAS Sensor, is used for protection of the plant from industrial dischargers, monitoring shock loads from internal plant processes, control of activated sludge processes, final effluent monitoring and monitoring efficiency of UV disinfection processes. The City's UVAS sensor requires annual maintenance and calibration services.

The City has contracted with Hach Company for over ten years to service this invaluable equipment and provide supplies which are used in connection with the subsequent testing of the treatment process. Maintenance for the equipment in 2018 will be just over \$1100 and includes:

- Regularly scheduled preventative maintenance and calibrations
- Certificate of Performance for Instrumentation
- Priority technical phone support
- Timely software updates

Chris Clardy, the Chief Plant Operator, reports satisfaction with the service provided by Hach.

Costs for the associated supplies range from \$100-\$500 monthly, for an estimated total of \$7,000. Both the annual service contract and supplies are included as part of the approved 2017/2018 FY Budget for Wastewater Treatment Plant supplies.

ATTACHMENTS:

- 1) Resolution 48-2017
- 2) Hach Quote and Scope of Work

City of Colfax

City Council

Resolution № 48-2017

AUTHORIZING CONTINUATION OF THE CONTRACT WITH HACH SERVICES FOR MAINTENANCE OF THE UVAS SENSOR AND WASTEWATER TREATMENT PLANT SUPPLIES FOR 2018

Whereas, the City of Colfax Wastewater Treatment Plant operations require the use of a UVAS System; and

Whereas, annual maintenance of the equipment is both prudent and necessary; and

Whereas, Hach Company has provided this service as well as supplying necessary supplies for quality assurance tests effectively in the past; and,

Whereas, the City Council of the City of Colfax has determined it is the best interest of the City to continue that service,

Now, Therefore, Be It Resolved and Declared by the City Council of the City of Colfax, that the Interim City Manager is authorized to continue the contract with Hach services for Maintenance of the UVAS Sensor and Wastewater Treatment Plant supplies for 2018.

The Foregoing Resolution was Duly and Regularly Adopted at a regular meeting of the City Council of the City of Colfax held on the 8th day of November 2017 by the following vote of the Council:

AYES:

NOES:


ABSENT:

ABSTAIN:

Stephen L. Harvey, Mayor

ATTEST:

Lorraine Cassidy, City Clerk

	HACH SERVICE PARTNERSHIP QUOTATION	Page : 1 of 4 Partnership Number : HACH353002	3 of 6
	Headquarters P.O. Box 389 5600 Lindbergh Drive Loveland, CO 80539-0389 Purchase Orders	WebSite: www.hach.com	Remittance 2207 Collections Center Dr Chicago, IL 60693 Wire Transfers Bank of America 231 S. LaSalle St. Chicago, IL 60604 Account: 8765602385 Routing (ABA): 026009593



Partnership Number : HACH353002 **Version :** 0.8 **Quotation Date :** 06-SEP-17
Hach Company Contact : Herman, Stephanie A **Service Partnership Phone :** **Expiration Date :** 05-DEC-17
Customer Ref : RENEWAL QUOTE **Customer Contact :** BERRY, TRAVIS
Customer Phone : 530-346-2313 **Customer Fax :** **Customer Email :** travis.berry@colfax-ca.gov


<u>Bill-To Account # 180486</u>		<u>Ship-To Account # 180486</u>		
Customer Name	CITY OF COLFAX	Customer Name	CITY OF COLFAX	Payment Terms: Net 30
Address4		Address4		Billing Method: Annual-Invoices on START Date
Address1	PO BOX 702	Address1	23550 GRAND VIEW AVE	Currency: USD
Address2		Address2		
Address3		Address3		
City,State,PostalCode	COLFAX-CA-95713	City,State,Postalcode	COLFAX-CA-95713-9002	
Province/Country	US	Province/Country	US	

Line	Service Name	Start Date	End Date	Description/Serial Number	Line Total
1	FSPUVASPRB 1.1 LXV418.99.90002	28-DEC-17	27-DEC-18	Fld Svc-2V UVAS Sensor db UVAS sc PROBE, 50mm ; 1250343	\$1,138.00
2	HACH PM 2 VISIT 2.1 FIELD CONTRACT SITE	28-DEC-17	27-DEC-18	2 ON SITE VISITS Field Service Contract site visit ; HACH353002	\$0.00

Sub Total : \$1,138.00
Tax: \$0.00
Total : \$1,138.00

Partnership Notes :

All purchases of Hach Company products and/or services are expressly and without limitation subject to Hach Company's Terms & Conditions of Sale ("Hach TCS"), incorporated herein by reference and published on Hach Company's website at www.hach.com/terms. Hach TCS are incorporated by reference into each of Hach's offers or quotations, order acknowledgments, and invoice and shipping documents. The first of the following acts shall constitute an acceptance of Hach's offer and not a counteroffer and shall create a contract of sale ("Contract") in accordance with the Hach TCS, subject to Hach's final credit approval: (i) Buyer's issuance of a purchase order document against Hach's offer or quotation; (ii) Hach's acknowledgement of Buyer's order; or (iii) commencement of any performance by Hach in response to Buyer's order. Provisions contained in Buyer's purchase documents that materially alter, add to or subtract from the provisions of these Terms and Conditions of Sale shall be null and void and not considered part of the Contract

	<p>HACH SERVICE PARTNERSHIP QUOTATION</p>	<p>Page : 2 of 4 4 of 6</p>	<p>Partnership Number : HACH353002</p>
	<p><i>Headquarters</i> P.O. Box 389 5600 Lindbergh Drive Loveland, CO 80539-0389</p> <p><i>Purchase Orders</i></p>	<p><i>WebSite:</i> www.hach.com</p>	<p><i>Remittance</i> 2207 Collections Center Dr Chicago, IL 60693</p> <p><i>Wire Transfers</i> Bank of America 231 S. LaSalle St. Chicago, IL 60604 Account: 8765602385 Routing (ABA): 026009593</p>

Customer Name : CITY OF COLFAX

Customer P.O. Number : _____

Customer Reference Number : _____

TERMS & CONDITIONS OF SALE FOR HACH COMPANY PRODUCTS AND SERVICES

This document sets forth the Terms & Conditions of Sale for goods manufactured and/or supplied, and services provided, by Hach Company of Loveland, Colorado ("Hach") and sold to the original purchaser thereof ("Buyer"). Unless otherwise specifically stated herein, the term "Hach" includes only Hach Company and none of its affiliates. Unless otherwise specifically stated in a previously-executed written purchase agreement signed by authorized representatives of Hach and Buyer, these Terms & Conditions of Sale establish the rights, obligations and remedies of Hach and Buyer which apply to this offer and any resulting order or contract for the sale of Hach's goods and/or services ("Products").

1. APPLICABLE TERMS & CONDITIONS:

These Terms & Conditions of Sale are contained directly and/or by reference in Hach's offer, order acknowledgment, and invoice documents. The first of the following acts constitutes an acceptance of Hach's offer and not a counteroffer and creates a contract of sale ("Contract") in accordance with these Terms & Conditions: (i) Buyer's issuance of a purchase order document against Hach's offer; (ii) acknowledgement of Buyer's order by Hach; or (iii) commencement of any performance by Hach pursuant to Buyer's order. Provisions contained in Buyer's purchase documents (including electronic commerce interfaces) that materially alter, add to or subtract from the provisions of these Terms & Conditions of Sale are not a part of the Contract.

2. CANCELLATION:

Buyer may cancel goods orders subject to fair charges for Hach's expenses including handling, inspection, restocking, freight and invoicing charges as applicable, provided that Buyer returns such goods to Hach at Buyer's expense within 30 days of delivery and in the same condition as received. Buyer may cancel service orders on ninety (90) day's prior written notice and refunds will be prorated based on the duration of the service plan. Inspections and reinstatement fees may apply upon cancellation or expiration of service programs. Seller may cancel all or part of any order prior to delivery without liability if the order includes any Products that Seller determines may not comply with export, safety, local certification, or other applicable compliance requirements.

3. DELIVERY:

Delivery will be accomplished FCA Hach's facility located in Ames, Iowa or Loveland, Colorado, United States (Incoterms 2010). For orders having a final destination within the U.S., legal title and risk of loss or damage pass to Buyer upon transfer to the first carrier. For orders having a final destination outside the U.S., legal title and risk of loss or damage pass to Buyer when the Products enter international waters or airspace or cross an international frontier. Hach will use commercially reasonable efforts to deliver the Products ordered herein within the time specified on the face of this Contract or, if no time is specified, within Hach's normal lead-time necessary for Hach to deliver the Products sold hereunder. Upon prior agreement with Buyer and for an additional charge, Hach will deliver the Products on an expedited basis. Standard service delivery hours are 8 am – 5 pm Monday through Friday, excluding holidays.

4. INSPECTION:

Buyer will promptly inspect and accept any Products delivered pursuant to this Contract after receipt of such Products. In the event the Products do not conform to any applicable specifications, Buyer will promptly notify Hach of such nonconformance in writing. Hach will have a reasonable opportunity to repair or replace the nonconforming product at its option. Buyer will be deemed to have accepted any Products delivered hereunder and to have waived any such nonconformance in the event such a written notification is not received by Hach within thirty (30) days of delivery.

5. PRICES & ORDER SIZES:

All prices are in U.S. dollars and are based on delivery as stated above. Prices do not include any charges for services such as insurance; brokerage fees; sales, use, inventory or excise taxes; import or export duties; special financing fees; VAT, income or royalty taxes imposed outside the U.S.; consular fees; special permits or licenses; or other charges imposed upon the production, sale, distribution, or delivery of Products. Buyer will either pay any and all such charges or provide Hach with acceptable exemption certificates, which obligation survives performance under this Contract. Hach reserves the right to establish minimum order sizes and will advise Buyer accordingly.

6. PAYMENTS:

All payments must be made in U.S. dollars. For Internet orders, the purchase price is due at the time and manner set forth at www.hach.com. Invoices for all other orders are due and payable NET 30 DAYS from date of the invoice without regard to delays for inspection or transportation, with payments to be made by check to Hach at the above address or by wire transfer to the account stated on the front of Hach's invoice, or for customers with no established credit, Hach may require cash or credit card payment in advance of delivery. In the event payments are not made or not made in a timely manner, Hach may, in addition to all other remedies provided at law, either: (a) declare Buyer's performance in breach and terminate this Contract for default; (b) withhold future shipments until delinquent payments are made; (c) deliver future shipments on a cash-with-order or cash-in-advance basis even after the delinquency is cured; (d) charge interest on the delinquency at a rate of 1-1/2% per month or the maximum rate permitted by law, if lower, for each month or part thereof of delinquency in payment plus applicable storage charges and/or inventory carrying charges; (e) repossess the Products for which payment has not been made; (f) recover all costs of collection including reasonable attorney's fees; or (g) combine any of the above rights and remedies as is practicable and permitted by law. Buyer is prohibited from setting off any and all monies owed under this from any other sums, whether liquidated or not, that are or may be due Buyer, which arise out of a different transaction with Hach or any of its affiliates. Should Buyer's financial responsibility become unsatisfactory to Hach in its reasonable discretion, Hach may require cash payment or other security. If Buyer fails to meet these requirements, Hach may treat such failure as reasonable grounds for repudiation of this Contract, in which case reasonable cancellation charges shall be due Hach. Buyer grants Hach a security interest in the Products to secure payment in full, which payment releases the security interest but only if such payments could not be considered an avoidable transfer under the U.S. Bankruptcy Code or other applicable laws. Buyer's insolvency, bankruptcy, assignment for the benefit of creditors, or dissolution or termination of the existence of Buyer, constitutes a default under this Contract and affords Hach all the remedies of a secured party under the U.C.C., as well as the remedies stated above for late payment or non-payment.

7. LIMITED WARRANTY:


Hach warrants that Products sold hereunder will be free from defects in material and workmanship and will, when used in accordance with the manufacturer's operating and maintenance instructions, conform to any express written warranty pertaining to the specific goods purchased, which for most Hach instruments is for a period of twelve (12) months from delivery. Hach warrants that services furnished hereunder will be free from defects in workmanship for a period of ninety (90) days from the completion of the services. Parts provided by Hach in the performance of services may be new or refurbished parts functioning equivalent to new parts. Any non-functioning parts that are repaired by Hach shall become the property of Hach. No warranties are extended to consumable items such as, without limitation, reagents, batteries, mercury cells, and light bulbs. **All other guarantees, warranties, conditions and representations, either express or implied, whether arising under any statute, law, commercial usage or otherwise, including implied warranties of merchantability and fitness for a particular purpose, are hereby excluded.** The sole remedy for Products not meeting this Limited Warranty is replacement, credit or refund of the purchase price. This remedy will not be deemed to have failed of its essential purpose so long as Hach is willing to provide such replacement, credit or refund.

8. INDEMNIFICATION:

Indemnification applies to a party and to such party's successors-in-interest, assignees, affiliates, directors, officers, and employees ("Indemnified Parties"). Hach is responsible for and will defend, indemnify and hold harmless the Buyer Indemnified Parties against all losses, claims, expenses or damages which may result from accident, injury, damage, or death due to Hach's breach of the Limited Warranty. This indemnification is provided on the condition that the Buyer is likewise responsible for and will defend, indemnify and hold harmless the Hach Indemnified Parties against all losses, claims, expenses or damages which may result from accident, injury, damage, or death due to the negligence or misuse or misapplication of any goods or services by the Buyer or any third party affiliated or in privity with Buyer.

9. PATENT PROTECTION:

Subject to all limitations of liability provided herein, Hach will, with respect to any Products of Hach's design or manufacture, indemnify Buyer from any and all damages and costs as finally determined by a court of competent jurisdiction in any suit for infringement of any U.S. patent (or European patent for Products that Hach sells to Buyer for end use in a member state of the E.U.) that has issued as of the delivery date, solely by reason of the sale or normal use of any Products sold to Buyer

	HACH SERVICE PARTNERSHIP QUOTATION	Page : 3 of 4 Partnership Number : HACH353002	5 of 6
	Headquarters P.O. Box 389 5600 Lindbergh Drive Loveland, CO 80539-0389 Purchase Orders	WebSite: www.hach.com	Remittance 2207 Collections Center Dr Chicago, IL 60693 Wire Transfers Bank of America 231 S. LaSalle St. Chicago, IL 60604 Account: 8765602385 Routing (ABA): 026009593

hereunder and from reasonable expenses incurred by Buyer in defense of such suit if Hach does not undertake the defense thereof, provided that Buyer promptly notifies Hach of such suit and offers Hach either (i) full and exclusive control of the defense of such suit when Products of Hach only are involved, or (ii) the right to participate in the defense of such suit when products other than those of Hach are also involved. Hach's warranty as to use patents only applies to infringement arising solely out of the inherent operation of the Products according to their applications as envisioned by Hach's specifications. In case the Products are in such suit held to constitute infringement and the use of the Products is enjoined, Hach will, at its own expense and at its option, either procure for Buyer the right to continue using such Products or replace them with non-infringing products, or modify them so they become non-infringing, or remove the Products and refund the purchase price (prorated for depreciation) and the transportation costs thereof. The foregoing states the entire liability of Hach for patent infringement by the Products. Further, to the same extent as set forth in Hach's above obligation to Buyer, Buyer agrees to defend, indemnify and hold harmless Hach for patent infringement related to (x) any goods manufactured to the Buyer's design, (y) services provided in accordance with the Buyer's instructions, or (z) Hach's Products when used in combination with any other devices, parts or software not provided by Hach hereunder.

10. TRADEMARKS AND OTHER LABELS:

Buyer agrees not to remove or alter any indicia of manufacturing origin or patent numbers contained on or within the Products, including without limitation the serial numbers or trademarks on nameplates or cast, molded or machined components.

11. SOFTWARE:.

All licenses to Hach's separately-provided software products are subject to the separate software license agreement(s) accompanying the software media. In the absence of such terms and for all other software, Hach grants Buyer only a personal, non-exclusive license to access and use the software provided by Hach with Products purchased hereunder solely as necessary for Buyer to enjoy the benefit of the Products. A portion of the software may contain or consist of open source software, which Buyer may use under the terms and conditions of the specific license under which the open source software is distributed. Buyer agrees that it will be bound by any and all such license agreements. Title to software remains with the applicable licensor(s).

12. PROPRIETARY INFORMATION; PRIVACY:

"Proprietary Information" means any information, technical data or know-how in whatever form, whether documented, contained in machine readable or physical components, mask works or artwork, or otherwise, which Hach considers proprietary, including but not limited to service and maintenance manuals. Buyer and its customers, employees and agents will keep confidential all such Proprietary Information obtained directly or indirectly from Hach and will not transfer or disclose it without Hach's prior written consent, or use it for the manufacture, procurement, servicing or calibration of Products or any similar products, or cause such products to be manufactured, serviced or calibrated by or procured from any other source, or reproduce or otherwise appropriate it. All such Proprietary Information remains Hach's property. No right or license is granted to Buyer or its customers, employees or agents, expressly or by implication, with respect to the Proprietary Information or any patent right or other proprietary right of Hach, except for the limited use licenses implied by law. Hach will manage Customer's information and personal data in accordance with its Privacy Policy, located at <http://www.hach.com/privacypolicy>.

13. CHANGES AND ADDITIONAL CHARGES:

Hach reserves the right to make design changes or improvements to any products of the same general class as Products being delivered hereunder without liability or obligation to incorporate such changes or improvements to Products ordered by Buyer unless agreed upon in writing before the Products' delivery date. Services which must be performed as a result of any of the following conditions are subject to additional charges for labor, travel and parts: (a) equipment alterations not authorized in writing by Hach; (b) damage resulting from improper use or handling, accident, neglect, power surge, or operation in an environment or manner in which the instrument is not designed to operate or is not in accordance with Hach's operating manuals; (c) the use of parts or accessories not provided by Hach; (d) damage resulting from acts of war, terrorism or nature; (e) services outside standard business hours; (f) site prework not complete per proposal; or (g) any repairs required to ensure equipment meets manufacturer's specifications upon activation of a service agreement.

14. SITE ACCESS / PREPARATION / WORKER SAFETY / ENVIRONMENTAL COMPLIANCE:

In connection with services provided by Hach, Buyer agrees to permit prompt access to equipment. Buyer assumes full responsibility to back-up or otherwise protect its data against loss, damage or destruction before services are performed. Buyer is the operator and in full control of its premises, including those areas where Hach employees or contractors are performing service, repair and maintenance activities. Buyer will ensure that all necessary measures are taken for safety and security of working conditions, sites and installations during the performance of services. Buyer is the generator of any resulting wastes, including without limitation hazardous wastes. Buyer is solely responsible to arrange for the disposal of any wastes at its own expense. Buyer will, at its own expense, provide Hach employees and contractors working on Buyer's premises with all information and training required under applicable safety compliance regulations and Buyer's policies. If the instrument to be serviced is in a Confined Space, as that term is defined under OSHA regulations, Buyer is solely responsible to make it available to be serviced in an unconfined space. Hach service technicians will not work in Confined Spaces. In the event that a Buyer requires Hach employees or contractors to attend safety or compliance training programs provided by Buyer, Buyer will pay Hach the standard hourly rate and expense reimbursement for such training attended. The attendance at or completion of such training does not create or expand any warranty or obligation of Hach and does not serve to alter, amend, limit or supersede any part of this Contract.

15. LIMITATIONS ON USE:

Buyer will not use any Products for any purpose other than those identified in Hach's catalogs and literature as intended uses. Unless Hach has advised the Buyer in writing, in no event will Buyer use any Products in drugs, food additives, food or cosmetics, or medical applications for humans or animals. In no event will Buyer use in any application any Product that requires FDA 510(k) clearance unless and only to the extent the Product has such clearance. Any warranty granted by Hach is void if any goods covered by such warranty are used for any purpose not permitted hereunder.

16. EXPORT AND IMPORT LICENSES AND COMPLIANCE WITH LAWS:

Unless otherwise specified in this Contract, Buyer is responsible for obtaining any required export or import licenses. Hach represents that all Products delivered hereunder will be produced and supplied in compliance with all applicable laws and regulations. Buyer will comply with all laws and regulations applicable to the installation or use of all Products, including applicable import and export control laws and regulations of the U.S., E.U. and any other country having proper jurisdiction, and will obtain all necessary export licenses in connection with any subsequent export, re-export, transfer and use of all Products and technology delivered hereunder. Buyer will not sell, transfer, export or re-export any Hach Products or technology for use in activities which involve the design, development, production, use or stockpiling of nuclear, chemical or biological weapons or missiles, nor use Hach Products or technology in any facility which engages in activities relating to such weapons. Buyer will comply with all local, national, and other laws of all jurisdictions globally relating to anti-corruption, bribery, extortion, kickbacks, or similar matters which are applicable to Buyer's business activities in connection with this Contract, including but not limited to the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"). Buyer agrees that no payment of money or provision of anything of value will be offered, promised, paid or transferred, directly or indirectly, by any person or entity, to any government official, government employee, or employee of any company owned in part by a government, political party, political party official, or candidate for any government office or political party office to induce such organizations or persons to use their authority or influence to obtain or retain an improper business advantage for Buyer or for Hach, or which otherwise constitute or have the purpose or effect of public or commercial bribery, acceptance of or acquiescence in extortion, kickbacks or other unlawful or improper means of obtaining business or any improper advantage, with respect to any of Hach's activities related to this Contract. Hach asks Buyer to "Speak Up!" if aware of any violation of law, regulation or our Standards of Conduct ("SOC") in relation to this Contract. See <http://danaher.com/integrity-and-compliance> and www.danaherintegrity.com for a copy of the SOC and for access to our Helpline portal.

17. FORCE MAJEURE:

Hach is excused from performance of its obligations under this Contract to the extent caused by acts or omissions that are beyond its control of, including but not limited to Government embargoes, blockages, seizures or freeze of assets, delays or refusals to grant an export or import license or the suspension or revocation thereof, or any other acts of God; quarantines; labor strikes or lockouts; riots; strife; insurrections; civil disobedience or acts of criminals or terrorists; war; material shortages or delays in deliveries to Hach by third parties. In the event of the existence of any force majeure circumstances, the period of time for delivery, payment terms and payments under any letters of credit will be extended for a period of time equal to the period of delay. If the force majeure circumstances extend for six months, Hach may, at its option, terminate this Contract without penalty and without being deemed in default or in breach thereof.


18. NON ASSIGNMENT AND WAIVER:

Buyer will not transfer or assign this Contract or any rights or interests hereunder without Hach's prior written consent. Failure of either party to insist upon strict performance of any provision of this Contract, or to exercise any right or privilege contained herein, or the waiver of any breach of the terms or conditions of this Contract will not be construed as thereafter waiving any such terms, conditions, rights, or privileges, and the same will continue and remain in force and effect as if no waiver had occurred.

19. LIMITATION OF LIABILITY:

None of the Hach Indemnified Parties will be liable to Buyer under any circumstances for any special, treble, incidental or consequential damages, including without limitation, damage to or loss of property other than for the Products purchased hereunder; damages incurred in installation, repair or replacement, lost profits, revenue or opportunity; loss of use; losses resulting from or related to downtime of the products or inaccurate measurements or reporting; the cost of substitute products; or claims of Buyer's customers for such damages, howsoever caused, and whether based on warranty, contract, and/or tort (including negligence, strict liability or otherwise). The total liability of the Hach Indemnified Parties arising out of the performance or nonperformance hereunder or Hach's obligations in connection with the design, manufacture, sale, delivery, and/or use of Products will in no circumstance exceed in the aggregate a sum equal to twice the amount actually paid to Hach for Products delivered hereunder.

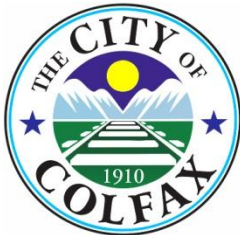
20. APPLICABLE LAW AND DISPUTE RESOLUTION:

	<p>HACH SERVICE PARTNERSHIP QUOTATION</p>	<p>Page : 4 of 4 6 of 6</p> <p>Partnership Number : HACH353002</p>
	<p><i>Headquarters</i> P.O. Box 389 5600 Lindbergh Drive Loveland, CO 80539-0389</p> <p><i>Purchase Orders</i></p>	<p><i>WebSite:</i> www.hach.com</p>

The construction, interpretation and performance hereof and all transactions hereunder shall be governed by the laws of the State of Colorado, without regard to its principles or laws regarding conflicts of laws. If any provision of this Contract violates any Federal, State or local statutes or regulations of any countries having jurisdiction of this transaction, or is illegal for any reason, said provision shall be self-deleting without affecting the validity of the remaining provisions. Unless otherwise specifically agreed upon in writing between Hach and Buyer, any dispute relating to this Contract which is not resolved by the parties shall be adjudicated in order of preference by a court of competent jurisdiction (i) in the State of Colorado, U.S.A. if Buyer has minimum contacts with Colorado and the U.S., (ii) elsewhere in the U.S. if Buyer has minimum contacts with the U.S. but not Colorado, or (iii) in a neutral location if Buyer does not have minimum contacts with the United States.

21. ENTIRE AGREEMENT & MODIFICATION:

These Terms & Conditions of Sale constitute the entire agreement between the parties and supersede any prior agreements or representations, whether oral or written. No change to or modification of these Terms & Conditions shall be binding upon Hach unless in a written instrument specifically referencing that it is amending these Terms & Conditions of Sale and signed by an authorized representative of Hach. Hach rejects any additional or inconsistent Terms & Conditions of Sale offered by Buyer at any time, whether or not such terms or conditions materially alter the Terms & Conditions herein and irrespective of Hach's acceptance of Buyer's order for the described goods and services.



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE NOVEMBER 8, 2017 COUNCIL MEETING

FROM: Wes Heathcock, Interim City Manager
PREPARED BY: Dane Schilling, City Engineer, Lorenzo Hernandez, Junior Engineer
DATE: November 1, 2017
SUBJECT: Construction Contract for Wastewater Treatment Plant Pond 1 Levee Project

N/A FUNDED UN-FUNDED **AMOUNT: \$125,000** **FROM FUND: 560-000**

RECOMMENDED ACTION: Adopt Resolution 49-2017 authorizing the Interim City Manager to reject all bids received on November 1, 2017 for the construction of the WWTP Pond 1 Levee Project and directing the City Engineer to re-bid the Project.

SUMMARY:

The Wastewater Treatment Plant Pond 1 Levee project is programmed to be completed in Fiscal Year 2017-2018. The WWTP Pond 1 Levee project consists of the construction of an earthen levee with a shotcrete surface across an existing shotcrete lined wastewater pond. The construction, in general, includes excavation, embankment, removal of portions of the existing shotcrete liner, pipes and fittings, gate valve assemblies, concrete headwalls, placement of shotcrete liner, and various other items of work.

On October 13, 2017, the City publicly advertised the Project, inviting bids. Bids were advertised through the City’s website, CIPList website, direct solicitation and through local contractor’s builder’s exchanges. A total of six prime contractors and nine builder’s exchanges registered to receive the bid documents. The bids were due on November 1, 2017 at City Hall at 2:00 pm.

The City received two bids for the construction of the project. Staff reviewed the bids and determined that bidders were responsible and submitted responsive bids. The City received the following bids:

Bidder’s Name	Base Bid Amount
Sierra National Construction, Inc.	\$188,725.00
Lorang Brothers Construction, Inc.	\$195,050.00

The lowest bid of \$188,725 significantly exceeds the Project’s budget of \$125,000. Staff recommends re-bidding the project due to the high bids, the low turnout of bidders and weather concerns. Staff called potential bidders to inquire why they had not bid on this project. The potential bidders indicated they are too busy to pursue this project. This may explain why the two bids submitted are higher than the Engineer’s estimate.

Staff will re-evaluate the bid items and Engineer's estimate prior to re-advertising. The Project would be re-advertised in the Spring and would be constructed around July or August as soon as the pond can be de-watered and cleaned for construction. While re-bidding is no guarantee of a lower cost, the Project will probably receive more interest from bidders and therefore more competitive bids.

ALTERNATIVES:

1. Adopt the proposed resolution and re-bid at later time.
2. Amend the budget and award the contract to the lowest bidder.

FISCAL IMPACT:

The Fiscal Year 2017-2018 Amended Budget includes \$125,000 for the construction of the Project. However, based on the lowest bid received plus a 10% contingency, the project would require a budget amendment of \$82,598 to construct the project.

Depending on the re-bid results, a budget amendment may still be required to construct the Project. If a budget amendment is required, it would be requested concurrent with the recommendation for award of the re-bid Project. Re-bidding the project would involve approximately \$1,200 in additional staff time.

ATTACHMENTS:

1. Resolution 49-2017

City of Colfax

City Council

Resolution № 49-2017

**AUTHORIZING THE CITY MANAGER TO REJECT ALL BIDS RECEIVED FOR THE
WASTEWATER TREATMENT PLANT POND 1 LEVEE PROJECT AND
DIRECTING THE CITY ENGINEER TO RE-BID THE PROJECT.**

WHEREAS, the City of Colfax allocated \$125,000 in the Fiscal Year 2017-2018 Amended Budget for the completion of the Wastewater Treatment Plant Pond 1 Levee Project; and

WHEREAS, on October 13, 2017 the project was publicly advertised on the City's website, the CIPList website, direct solicitation and local contractor's builder's exchanges; and,

WHEREAS, on November 1, 2017, bids from two contractors were received and publicly read aloud; and,

WHEREAS, the lowest bid was received from Sierra National Construction, Inc. in the amount of \$188,725 which significantly exceeds the Project budget of \$125,000; and

WHEREAS, based on the higher than anticipated bid prices, the low turnout of bidders and uncertain weather conditions to complete the project, the City Engineer is recommending the City reject all bids received on November 1, 2017, and re-bid the Project in the Spring of 2018.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Colfax does hereby:

1. Authorize the City Manager to reject all bids received on November 1, 2017 for the construction of the WWTP Pond 1 Levee Project; and,
2. Direct the City Engineer to re-bid the Project.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED at the Regular Meeting of the City Council of the City of Colfax held on the 8th day of November 2017 by the following vote of the Council:

AYES:

NOES:

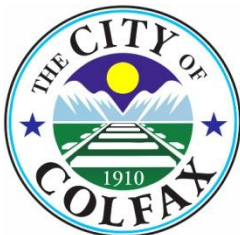
ABSTAIN:

ABSENT:

ATTEST:

Stephen L. Harvey, Mayor

Lorraine Cassidy, City Clerk



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE NOVEMBER 8, 2017 COUNCIL MEETING

FROM: Wes Heathcock, Interim City Manager
PREPARED By: Laurie Van Groningen, Finance Director
DATE: October 11, 2017
SUBJECT: Mitigation Impact Fees

<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT: \$	FROM FUND: N/A
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RECOMMENDED ACTION: Conduct public hearing, review annual report, consider public and staff comments, accept report and adopt Resolution № 50-2017: Accepting And Approving the Annual AB 1600 Mitigation Fee Report And Making Findings Pursuant To Colfax Municipal Code Chapter 3.56 And The Mitigation Fee Act (Government Code §66000 Et Seq)

SUMMARY:

The State of California, through the enactment of Government Code Section 66000 et seq. (the “Mitigation Fee Act”), conferred upon local government units authority to adopt fees imposed on a broad class of projects and fees imposed on specific projects for the purpose of defraying all or a portion of the cost of public facilities related to the development project. The City of Colfax Municipal Code Chapter 3.56 established the local authority for imposing Mitigation Impact Fees as allowed by the Mitigation Fee Act.

Colfax Municipal Code §3.56.130B requires the City to complete an annual AB1600 Mitigation report and Council to review the annual report at a noticed public hearing. At the close of the hearing, the Council must determine whether the mitigation impact fee amounts continue to be reasonably related to the impact of development and whether the described public facilities are still needed. The Council is authorized to revise the mitigation impact fees to include additional projects not previously foreseen as being needed.

BACKGROUND AND ANALYSIS:

The City maintains separate fund accounts for each mitigation fee type. The City has established the following Mitigation Impact Fees:

1. Roads – Fund 210
2. Drainage – Fund 211
3. Trails – Fund 212
4. Parks and Recreation – Fund 213
5. City Buildings – Fund 214
6. City Vehicles – Fund 215
7. Downtown Parking – Fund 217
8. Fire Construction Fees – Fund 342
9. Recreation Construction Fees – Fund 343

These funds earn and accumulate interest and all expenditures from these funds have been for the purpose for which the fees were collected. A detailed financial analysis by fund and a schedule of mitigation fees are attached as part of this report.

Mitigation Fees are accounted for using the accounting method known as FIFO (first in, first out), which means the first revenue received is assumed to be the first spent. State law and the Colfax Municipal Code require the City to prepare an annual report for each fund established to account for Mitigation Impact Fees. The report must include

- (1) A brief description of the type of fee in the account or fund (Government Code §66006(b)(1)(A)) ,
- (2) The amount of the fee (Government Code §66006(b)(1)(B)),
- (3) The beginning and ending balance of the account or fund (Government Code §66006(b)(1)(C)),
- (4) The amount of the fees collected and the interest earned (Government Code §66006(b)(1)(D)),
- (5) An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with the fees (Government Code §66006(b)(1)(E)),
- (6) An identification of an approximate date by which the construction of the public improvement will commence if the City determines that sufficient funds have been collected to complete financing on an incomplete public improvement (Government Code §66006(b)(1)(F)),
- (7) A description of each inter-fund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an inter-fund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan (Government Code §66006(b)(1)(G)) and
- (8) The amount of refunds made and allocations made if the cost of making a refund exceeds the amount to be refunded.

Public Contact

This report was available at City Hall counter by: October 19, 2017

Notice of Public Hearing was published: Colfax Record – October 19, 2017

CONCLUSION:

Staff recommends that Council reviews and accepts report.

ATTACHMENTS:

1. Resolution 50-2017
2. Annual AB1600 Report
3. Mitigation Fee Schedule

The 2006 Mitigation Fee Study and 2006 Mitigation Fee – Council minutes are available at City Hall.

City of Colfax

City Council

Resolution № 50-2017

ACCEPTING AND APPROVING THE ANNUAL MITIGATION FEE REPORT AND MAKING FINDINGS PURSUANT TO COLFAX MUNICIPAL CODE CHAPTER 3.56 AND THE MITIGATION FEE ACT (GOVERNMENT CODE §66000ET SEQ)

WHEREAS, in 1987 the California Legislature adopted the Mitigation Fee Act as Government Code §§66000 et seq (the “Mitigation Fee Act”) whereby it authorized cities to impose fees in connection with the approval of development projects for the purpose of defraying all or a portion of the cost of public facilities related to the development project (“Mitigation Impact Fees”); and

WHEREAS, in 2007 the City Council of the City of Colfax adopted Ordinance 488 pursuant to the authority of the Mitigation Fee Act; and

WHEREAS, Colfax received Mitigation Impact Fees from various developers pursuant to Ordinance 488 and deposited those fees into separate funds as required by law; and

WHEREAS, the Mitigation Fee Act and Colfax Ordinance require the preparation of a report identifying the balance of Mitigation Impact Fees in the various funds established for their deposit, the facilities constructed and the facilities to be constructed (the “Mitigation Fee Report”); and

WHEREAS, the City’s Finance Director prepared the Mitigation Fee Report, a copy of which is attached to this Resolution; and

WHEREAS, on November 8, 2017, pursuant to notice duly published and posted, the Colfax City Council opened a public hearing for the purpose of (1) reviewing the Mitigation Fee Report and the Mitigation Impact Fees and determining whether the Mitigation Impact Fee amounts continue to be reasonably related to the impact of development, (2) determining whether the described facilities are still needed, (3) determining whether the Mitigation Impact Fees should be revised to include additional projects not previously foreseen as being needed and (4) making other findings required by law; and

WHEREAS, on November 8, 2017, the public hearing was closed after all public comments were received.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Colfax as follows:

1. The foregoing recitals are true and correct statements of fact and are incorporated into this Resolution by this reference.
2. Based upon all of the evidence in the record before it and the comments received from the public, the Colfax City Council hereby finds and determines:
 - a. The purpose to which each Mitigation Impact Fee identified in the Mitigation Fee Report is adequately identified in Colfax Municipal Code §3.56.050 and the Major Projects and Mitigation Fee Study dated August 14, 2006, as amended.
 - b. It has been adequately demonstrated that there continues to be a reasonable relationship between each Mitigation Impact Fee and the purpose for which it is charged.
 - c. To the extent any improvements to be funded by Mitigation Impact Fees remain incomplete, the sources and amount of funding are identified in the Major Projects and Mitigation Fee Study dated August 14, 2006 as amended and include without limitation future development projects in Colfax.
 - d. The approximate dates on which funding for all projects to be funded by Mitigation Impact Fees will be deposited into the appropriate Mitigation Impact Fee account or fund is presently unknown because development within the City is unpredictable but is estimated to be at approximately the same time as future development occurs.
 - e. The amounts of the Mitigation Impact Fees continue to be reasonably related to the impact of development.
 - f. The public facilities described in the Major Projects and Mitigation Fee Study dated August 14, 2006, as amended, and as provided in Colfax Municipal Code §3.56.050 are still needed.
3. The Mitigation Fee Report is hereby approved

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED at a regular meeting of the City Council of the City of Colfax held on the 8th day of November 2017 by the following roll call vote of the Council:

Ayes:

Noes:

Absent:

Abstain:

Stephen L. Harvey, Mayor

ATTEST:

Lorraine Cassidy, City Clerk

**TABLE II-3 Consolidated
MITIGATION FEE BY LANDUSE & TYPE
COLFAX MITIGATION FEE STUDY
July 01, 2017 update**

Mitigation Fee 3.56		Single	Multi	Office	Retail	Industrial
Item	Code/Ordinance Section	Family	Family	Building	Building	Building
		per unit	per unit	per 1000 sf	per 1000 sf	per 1000 sf
Roads	3.48?? 3.56.030A	\$ 1,802	\$ 1,301	\$ 5,285	\$ 6,342	\$ 1,172
Drainage Study	3.56.030B	\$ 74	\$ 48	\$ 57	\$ 68	\$ 43
Drainage systems on e-w culverts	3.56.030C	\$ 3,416	\$ 2,216	\$ 2,616	\$ 3,139	\$ 1,962
Trails	3.56.030D	\$ 1,125	\$ 787	\$ 35	\$ 31	\$ 12
Park & Rec.	3.36.020?? 3.56.030E	\$ 5,731	\$ 4,011	\$ 178	\$ 160	\$ 63
City Buildings	3.56.030F	\$ 684	\$ 494	\$ 2,007	\$ 2,409	\$ 445
City Vehicles	3.56.030G	\$ 130	\$ 94	\$ 380	\$ 456	\$ 84
GP & Zoning		\$ -	\$ -	\$ -	\$ -	\$ -
Downtown Parking	3.56030H	\$ 581	\$ 420	\$ 1,705	\$ 2,046	\$ 378
Mitigation Fee Study		\$ -	\$ -	\$ -	\$ -	\$ -
		per unit	per unit	Totals for a 10,000 sf building, example		
Total		\$ 13,543	\$ 9,372	\$ 122,628	\$ 146,522	\$ 41,595
Totals areas not using e-w culverts		\$ 10,126	\$ 7,156	\$ 96,465	\$ 115,128	\$ 21,974

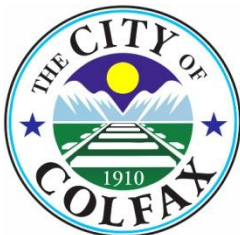
City of Colfax
Annual Report on Mitigation Fees Per Government Code 66000
AB1600 Statement - Fiscal Year 2016-2017

Analysis of Change in Fund Balance

Beginning Balance 07/01/15	Roads 210	Drainage 211	Trails 212	Parks & Rec 213	City Building 214	City Vehicle 215	Downtown Parking 217	Recreation Construction 342	Fire Construction 343	Total
	\$ 52,727	\$ 3,045	\$ 42,671	\$ 97,717	\$ 944	\$ 4,488	\$ 26,597	\$ 2,426	\$ 2,426	\$ 233,041
REVENUE										
Fees Collected	-	-	-	-	-	-	-	-	-	-
Interest Earnings	255	19	260	596	7	37	162	15	15	1,366
Other Revenue	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-
	255	19	260	596	7	37	162	15	15	1,366
EXPENDITURES										
Project Expenditures	27,767	-	-	-	951	4,525	-	-	-	33,243
Refunds	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-
	27,767	-	-	-	951	4,525	-	-	-	33,243
Revenue Over/(Under) Expenditures	(27,512)	19	260	596	(944)	(4,488)	162	15	15	(31,877)
Ending Balance at 06/30/16	\$ 25,215	\$ 3,064	\$ 42,931	\$ 98,313	\$ -	\$ -	\$ 26,759	\$ 2,441	\$ 2,441	\$ 201,164

Expenditures by Project

Project: Economic Revitalization	Roads 210	Drainage 211	Trails 212	Parks & Rec 213	City Building 214	City Vehicle 215	Downtown Parking 217	Recreation Construction 342	Fire Construction 343	Total	Percentage Funded with Mitigation Fees
Project City Vehicles - PW Trucks	\$ 27,767					\$ 4,525				\$ 27,767	100%
Project City Hall Improvements					\$ 951					\$ 951	5%
										\$ -	15%
Total Expenditures by Project	\$ 27,767	\$ -	\$ -	\$ -	\$ 951	\$ 4,525	\$ -	\$ -	\$ -	\$ 33,243	



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE NOVEMBER 8, 2017 COUNCIL MEETING

FROM: Wes Heathcock, Interim City Manager
PREPARED BY: Dane Schilling, City Engineer
DATE: November 1, 2017
SUBJECT: Engineering Design Services for S. Auburn St. and I-80 Roundabout Project

<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT: \$326,034	FROM FUND: 385
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RECOMMENDED ACTION: Adopt Resolution 51-2017 authorizing the Interim City Manager to execute an agreement with Omni-Means for Engineering Design on the S. Auburn St. and I-80 Roundabout Project in an amount not to exceed \$326,034, contingent upon Caltrans approval of the Architect and Engineering Procurement Process.

BACKGROUND AND DISCUSSION:

City Council, staff and interested parties have had numerous discussions regarding facilitating access to properties on the Interstate 80 corridor. As a result, the City Council directed staff to investigate alternatives to improve the intersection of S. Auburn Street and the Interstate 80 on- and off-ramps (Project). The City Council authorized a feasibility analysis and an Intersection Control Evaluation (ICE) for traffic mitigation alternatives at the intersection. These studies concluded that a roundabout at this intersection would be the most cost-effective solution to traffic issues and at the same time will provide access to the undeveloped property at the intersection known as the Maidu Village property.

In May 2017 PCTPA directed that discretionary Congestion, Mitigation, and Air Quality (CMAQ) funds be designated to leverage state and federal funding for the Project. On August 30, 2017, Staff submitted an application to Placer County Transportation Planning Agency (PCTPA) requesting an allocation of CMAQ funding in the amount of \$900,000 for the project, with \$350,000 requested for the design phase of the project. PCTPA has indicated to staff the funding application will be approved and funds will be allocated to the project. Caltrans has indicated State Highway Operation and Protection Program (SHOPP) has funding available to allocate to the project in the amount of \$1,250,000 for construction.

On September 15, 2017 staff issued a Request for Proposals (RFP) to engineering consultants to provide engineering design services for the roundabout. The City received proposals from two transportation firms, Mark Thomas and Associates and Omni-Means. An evaluation committee consisting of City staff, PCTPA Staff, and City Engineering consultants reviewed the proposals

submitted and determined that Omni-Means was the most qualified consultant to design the Project.

Due to the federal funds for the Project, the procurement process was conducted in a manner which satisfies required federal procedures as administered by Caltrans. The City must receive review and approval from Caltrans to confirm the proper procedures were followed prior to entering into the design services contract. Staff submitted the documents to Caltrans and, at the time of writing this report, Caltrans has not provided their approval.

The scope of services provided by Omni-Means for the project includes preliminary design, final design (plans, specifications and estimates), right-of-way services, utility coordination services, Caltrans coordination services, and bid support services. The project has an extremely aggressive schedule for this type of project. If all approvals are obtained in a timely manner, the project is scheduled to go out to bid in July 2018 with construction beginning in September 2018.

FISCAL IMPACT:

The proposed agreement with Omni-Means is in an amount no to exceed \$326,324. The current budget includes \$472,294 for the design of the Project.

ATTACHMENTS:

1. Resolution 51-2017
2. Contract and Scope of Work

City of Colfax

City Council

Resolution № 51-2017

AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE AN AGREEMENT WITH OMNI-MEANS FOR ENGINEERING DESIGN ON THE S. AUBURN ST. AND I-80 ROUNDABOUT PROJECT IN AN AMOUNT NOT TO EXCEED \$326,034, CONTINGENT UPON CALTRANS APPROVAL OF THE ARCHITECT AND ENGINEERING PROCUREMENT PROCESS

WHEREAS, the City of Colfax has determined that the South Auburn Street and Interstate 80 Roundabout Project (Project) is feasible and will provide necessary operational improvements and superior cost benefits over a signalized intersection; and

WHEREAS, City staff submitted a funding application to Placer County Transportation Planning Agency for Congestion, Mitigation, and Air Quality (CMAQ) funding for the Project; and,

WHEREAS, in September 2017, City staff issued a request for proposals from engineering consultants and received two proposals; and

WHEREAS, City Staff, in accordance with federal funding requirements, assembled a panel to review engineering proposals and determined that Omni-Means, a GHD company, was the most qualified engineering consultant to perform the work; and,

WHEREAS, the scope of services provided by Omni-Means for the Project includes design plans, specifications, estimates, right-of-way services, utility coordination services, Caltrans coordination services, and bid support services; and

WHEREAS, Caltrans Office of Local Assistance is required to review and approve the procurement process; and

WHEREAS, City of Colfax has submitted a package to Caltrans for compliance review and approval of the Architect and Engineering Procurement Process.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Colfax authorizes the City Manager to execute a consultant services agreement in the form attached with Omni-Means, a GHD company, for the South Auburn Street and Interstate 80 Roundabout Project in an amount not to exceed \$326,034, contingent upon Caltrans approval of the procurement process..

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED at the Regular Meeting of the City Council of the City of Colfax held on the 8th day of November 2017 by the following vote of the Council:

AYES:

NOES:

ABSTAIN:

ABSENT:

Stephen L. Harvey, Mayor

ATTEST:

Lorraine Cassidy, City Clerk

AGREEMENT FOR CONTRACT SERVICES

THIS AGREEMENT is made and entered into on this _____ day of _____, 2017 by and between the City of Colfax, a municipal corporation of the State of California (“City”) and Omni-Means, A GHD Company (“Contractor”).

RECITALS

A. The City desires to retain Contractor to provide the Services set forth in detail in Exhibit A hereto (the “Services”) subject to the terms and conditions of this Agreement.

B. Contractor is duly licensed and sufficiently experienced to undertake and perform the Services in a skilled and workmanlike manner and desires to do so in accordance with the terms and conditions of this Agreement.

Now, therefore, in consideration of the mutual covenants, promises and conditions set forth in this Agreement, the City and Contractor agree as follows:

Section 1. Services.

Subject to the terms and conditions set forth in this Agreement, Contractor shall furnish and perform all of the Services described in detail in Exhibit A hereto and incorporated herein by this reference (the “Services”) to the satisfaction of the City. Contractor shall not perform any work exceeding the scope of the Services described in Exhibit A without prior written authorization from the City.

Section 2. Time of Completion.

Contractor’s schedule for performance of the Services is set forth in Exhibit A hereto which is incorporated herein by this reference. Contractor shall commence performance of the Services promptly upon receipt of written notice from the City to proceed. Performance of the Services shall progress and conclude in accordance with the schedule set forth in Exhibit A. During the performance of the Services, Contractor shall provide the City with written progress reports at least once each month and at such additional intervals as City may from time to time request.

Section 3. Compensation.

A. Except as may otherwise be provided in Exhibit A or elsewhere in this Agreement or its exhibits, Contractor shall invoice City once each month for the Services performed during the preceding month. Such invoices shall itemize all charges in such detail as may reasonably be required by City in the usual course of City business but shall include at least (i) the date of performance of each of the Services, (ii) identification of the person who performed the Services, (iii) a detailed description of the Services performed on each date, (iv) the hourly rate at which the Services on each date are charged, (v) an itemization of all costs incurred and (vi) the total charges for the Services for the month invoiced. As long as the Contractor performs the Services to the satisfaction of the City, the City shall pay the Contractor an all inclusive compensation that shall not exceed the amount as detailed in Exhibit A except pursuant to an authorized written change order issued pursuant to Section 15 of this

Agreement before the Services requiring additional compensation are performed. City shall pay Contractor no later than thirty (30) days after approval of the monthly invoice by City's staff.

B. The Contractor's compensation for the Services shall be full compensation for all indirect and direct personnel, materials, supplies, equipment and services incurred by the Contractor and used in carrying out or completing the Services. Payments shall be in accordance with the payment schedule established in Exhibit A or elsewhere in this Agreement or its exhibits.

C. The City shall have the right to receive, upon request, documentation substantiating charges billed to the City pursuant to this Agreement. The City shall have the right to perform an audit of the Contractor's relevant records pertaining to the charges.

D. Any Services performed more than sixty (60) days prior to the date upon which they are invoiced to the City shall not be compensable.

Section 4. Professional Ability; Standard of Quality.

City has relied upon the professional training and ability of Contractor to perform the Services described in Exhibit A as a material inducement to enter into this Agreement. Contractor shall therefore provide properly skilled professional and technical personnel to perform all Services under this Agreement. All Services performed by Contractor under this Agreement shall be in a skillful, workmanlike manner in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Contractor's field of expertise.

Section 5. Indemnification.

Contractor shall hold harmless and indemnify, including without limitation the cost to defend, the City and its officers, agents and employees from and against any and all claims, demands, damages, costs or liability that arise out of, or pertain to, or relate to the negligence, recklessness or willful misconduct of Contractor and/or its agents in the performance of the Services. This indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, arising from the sole negligence, willful misconduct or material defects in design by the City or its agents, servants employees or independent contractors other than Contractor who are directly responsible to the City, or arising from the active negligence of the City officers, agents, employees or volunteers

Section 6. Insurance.

Without limiting Contractor's indemnification obligations provided for above, Contractor shall take out before beginning performance of the Services and maintain at all times during the life of this Agreement the following policies of insurance with insurers possessing a Best rating of not less than A. Contractor shall not allow any subcontractor, professional or otherwise, to commence work on any subcontract until all insurance required of the Contractor has also been obtained by the subcontractor.

A. Workers' Compensation Coverage. Statutory Workers' Compensation insurance and Employer's Liability Insurance to cover its employees. In the alternative, Contractor may rely on a self-insurance program to meet its legal requirements as long as the program of self-insurance

complies fully with the provisions of the California Labor Code. Contractor shall also require all subcontractors, if such are authorized by the City, to similarly provide Workers' Compensation insurance as required by the Labor Code of the State of California for all of the subcontractor's employees. All Workers' Compensation policies shall be endorsed with the provision that the insurance shall not be suspended, voided, or cancelled until thirty (30) days prior written notice has been provided to City by the insurer. The Workers' Compensation insurance shall also contain a provision whereby the insurance company agrees to waive all rights of subrogation against the City and its elected or appointed officials, officers, agents, and employees for losses paid under the terms of such policy which arise from the Services performed by the insured for the City.

- B. General Liability Coverage. General liability insurance, including personal injury and property damage insurance for all activities of the Contractor and its subcontractors, if such are authorized by the City, arising out of or in connection with the Services. The insurance shall be written on a comprehensive general liability form and include a broad form comprehensive general liability endorsement. In the alternative, the City will accept, in satisfaction of these requirements, commercial general liability coverage which is equivalent to the comprehensive general liability form and a broad form comprehensive general liability endorsement. The insurance shall be in an amount of not less than \$1 million combined single limit personal injury and property damage for each occurrence. The insurance shall be occurrence based insurance. General liability coverage written on a claims made basis shall not be acceptable absent prior written authorization from the City.
- C. Automobile Liability Coverage. Automobile liability insurance covering bodily injury and property damage for all activities of the Contractor arising out of or in connection with this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than \$1 million combined single limit for each occurrence.
- D. Policy Endorsements. Each general liability and automobile liability insurance policy shall be endorsed with the following provisions:
1. The City, and its elected or appointed officials, employees and agents shall be named as insureds or additional insureds with regard to damages and defenses of claims arising from activities performed by or on behalf of the Contractor.
 2. The insurance afforded by each policy shall apply separately to each insured who is seeking coverage or against whom a claim is made or a suit is brought, except with respect to the insurer's limits of liability.
 3. The insurance shall be primary insurance as respects the City and its elected or appointed officers, officials, employees and agents. Any other insurance maintained by the City or its elected or appointed officers, officials, employees, agents or volunteers shall be in excess of this insurance and shall not contribute with it.
 4. The insurance shall not be suspended, voided, cancelled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been provided to the City.

5. Any failure to comply with the reporting requirements of any policy shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, or agents.
- E. Professional Liability Coverage. If required by the City, Contractor shall also take out and maintain professional liability, errors and omissions insurance in an amount not less than \$1 million. The professional liability insurance policy shall be endorsed with a provision stating that it shall not be suspended, voided, cancelled, or reduced in coverage or in limits except after thirty (30) days written notice has been provided to the City.
- F. Insurance Certificates and Endorsements. Prior to commencing the Services under this Agreement, Contractor shall submit to the City documentation evidencing the required insurance signed by the insurance agent and the companies named. This documentation shall be on forms which are acceptable to the City and shall include all required endorsements and verify that coverage is actually in effect. This Agreement shall not be effective until the required insurance forms and endorsements are submitted to and approved by the City. Failure to provide these forms within the time period specified by City may result in the award of this Agreement to another Contractor should the City, in its sole discretion, decide to do so. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement.
- G. Deductible and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by City.
- H. Termination of Insurance. If the City receives notification that Contractor's insurance will be suspended, voided, cancelled or reduced in coverage or in limits, and if the Contractor does not provide for either the reinstatement of that insurance or for the furnishing of alternate insurance containing all of the terms and provisions specified above prior to the termination of that insurance, City may either terminate this Agreement for that breach, or City may secure the required insurance to satisfy the conditions of this Agreement and deduct the cost thereof from compensation which would otherwise be due and payable to the Contractor for Services rendered under the terms of this Agreement.

Section 7. Subcontracts.

Contractor may not subcontract any portion of the Services without the written authorization of City. If City consents to a subcontract, Contractor shall be fully responsible to the City and third parties for all acts or omissions of the subcontractor to which the Services or any portion thereof are subcontracted. Nothing in this Agreement shall create any contractual relationship between City and any subcontractor, nor shall it create any obligation on the part of the City to pay or cause the payment of any monies due to any such subcontractor except as otherwise is required by law.

Section 8. Assignment.

Contractor shall not assign any right or obligation under this Agreement without the City's prior written consent. Any attempted assignment of any right or obligation under this Agreement without the City's prior written consent shall be void.

Section 9. Entire Agreement.

This Agreement represents the entire understanding of City and Contractor as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered herein. This Agreement may not be modified or altered except in writing signed by both parties.

Section 10. Jurisdiction.

This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction over any litigation arising from this Agreement shall be in the Superior Court of the State of California with venue in Placer County, California.

Section 11. Suspension of Services.

Upon written request by Contractor, City may suspend, in writing, all or any portion of the Services if unforeseen circumstances beyond the control of the City and Contractor make normal progress of the Services impossible, impractical or infeasible. Upon written City approval to suspend performance of the Services, the time for completion of the Services shall be extended by the number of days performance of the Services is suspended.

Section 12. Termination of Services.

City may at any time, at its sole discretion, terminate all or any portion of the Services and this Agreement upon seven (7) days written notice to Contractor. Upon receipt of notice of termination, Contractor shall stop performance of the Services at the stage directed by City. Contractor shall be entitled to payment within thirty (30) days for Services performed up to the date of receipt of the written notice of termination. Contractor shall not be entitled to payment for any Services performed after the receipt of the notice of termination unless such payment is authorized in advance in writing by the City.

Should Contractor fail to perform any of the obligations required of Contractor within the time and in the manner provided for under the terms of this Agreement, or should Contractor violate any of the terms and conditions of this Agreement, City may terminate this Agreement by providing Contractor with seven (7) days written notice of such termination. The Contractor shall be compensated for all Services performed prior to the date of receipt of the notice of termination. However, the City may deduct from the compensation which may be owed to Contractor the amount of damage sustained or estimated by City resulting from Contractor's breach of this Agreement.

Contractor's obligations pursuant to Sections 5 and 6 of this Agreement shall survive termination, and continue in effect for as long as necessary to fulfill the purposes of Sections 5 and 6.

Section 13. Independent Contractor.

Contractor shall in all respects be an independent contractor and not an agent or employee of City. Contractor has and shall retain the right to exercise full control and supervision of the means and

methods of performing the Services. Contractor shall receive no premium or enhanced pay for Services normally understood as overtime; nor shall Contractor receive holiday pay, sick leave, administrative leave or pay for any other time not actually expended in the performance of the Services. It is intended by the parties that Contractor shall not be eligible for benefits and shall receive no compensation from the City, except as expressly set forth in this Agreement. Contractor shall submit completed W-9 and Report of Independent Contractor forms upon execution of this Agreement and prior to the payment of any compensation hereunder.

Section 14. Ownership of Documents.

Within thirty (30) days after the Contractor substantially completes performance of the Services, or within thirty (30) days after the termination of this Agreement, the Contractor shall deliver to the City all files, records, materials and documents drafted or prepared by Contractor's in the performance of the Services. It is expressly understood and agreed that all such files, records, materials and documents are the property of the City and not the property of the Contractor. All finished and unfinished reports, plans, studies, documents and other writings prepared by and for Contractor, its officers, employees and agents in the course of performing the Services shall become the sole property of the City upon payment to Contractor for the Services, and the City shall have the exclusive right to use such materials in its sole discretion without further compensation to Contractor or to any other party. Contractor shall, at Contractor's expense, provide such reports, plans, studies, documents and writings to City or any party the City may designate, upon written request. Contractor may keep file copies of all documents prepared for City. Use of any such documents by the City for projects that are not the subject of this Agreement or for purposes beyond the scope of the Services shall be at the City's sole risk without legal liability or expense to Contractor.

Section 15. Changes and/or Extra Work.

Only the City Council may authorize extra and/or changed Services, modification of the time of completion of the Services, or additional compensation for the tasks to be performed by Contractor. Contractor expressly recognizes that other City personnel are without authorization to order extra and/or changed Services or to obligate the City to the payment of additional compensation. The failure of Contractor to secure the prior written authorization for such extra and/or changed Services shall constitute a waiver of any and all right to adjustment in the contract price due to such unauthorized Services, and Contractor thereafter shall not be entitled to any compensation whatsoever for the performance of such extra or changed Services. In the event Contractor and City agree that extra and/or changed Services are required, or that additional compensation shall be awarded to Contractor for performance of the Services under this Agreement, a supplemental agreement providing for such compensation shall be prepared and shall be executed by the Contractor and the necessary City officials before the extra and/or changed Services are provided.

Section 16. Compliance with Federal, State and Local Laws.

Contractor shall comply with all applicable federal, state and local laws, statutes, ordinances, rules and regulations affecting the Services, including without limitation laws requiring licensing and prohibiting discrimination in employment because of race, creed, color, sex, age, marital status, physical or mental disability, national origin or other prohibited bases. City shall not be responsible or liable for

Contractor's failure to comply with applicable laws, statutes, ordinances, rules or regulations.

Section 17. Retention of Records.

Contractor and any subcontractors authorized by the terms of this Agreement shall keep and maintain full and complete documentation and accounting records, employees' time sheets, and correspondence pertaining to the Services, and Contractor shall make such documents available for review and/or audit by City and City's representatives at all reasonable times during performance of the Services and for at least four (4) years after completion of the Services and/or termination of this Agreement.

Section 18. Alternative Dispute Resolution

- A. Before resorting to mediation, arbitration or other legal process, the primary contacts of the parties shall meet and confer and attempt to amicably resolve any dispute arising from or relating to this Agreement subject to the following provisions. Any party desiring to meet and confer shall so advise the other party pursuant to a written notice. Within 15 days after provision of that written notice by the party desiring to meet and confer, the primary contacts for each party shall meet in person and attempt to amicably resolve their dispute. Each primary contact, or the person acting in their absence with full authority to resolve the dispute, shall attend the meeting and shall be prepared to devote an entire day thereto. If any dispute remains unresolved at the end of the meeting, any party to this Agreement shall have the right to invoke the mediation process provided for in the subparagraph B below.
- B. Subject to the provisions of subparagraph A, any dispute that remains unresolved after the meet and confer shall immediately be submitted to non-binding neutral mediation, before a mutually acceptable, neutral retired judge or justice at the Sacramento Office of the Judicial Arbitration and Mediation Service ("JAMS"). If within five days after the meet and confer the parties are unable to agree upon the selection of a neutral mediator, then the first available retired judge or justice at the Sacramento office of JAMS shall serve as the neutral mediator. The parties agree to commit to at least one full day to the mediation process. Additionally, to expedite the resolution of any dispute that is not resolved by mediation, the parties agree to each bring to the neutral mediation a list of at least five neutral arbitrators, including their resumes, whose availability for an arbitration hearing within 30 days after the mediation has been confirmed.
- C. If mediation is unsuccessful, before the mediation concludes, the parties shall mediate the selection of a neutral arbitrator to assist in the resolution of their dispute. If the parties are unable to agree on an arbitrator, the parties agree to submit selection of an arbitrator to the mediator, whose decision shall be binding on the parties. In that case, the mediator shall select a neutral arbitrator from the then active list of retired judges or justices at the Sacramento Office of the JAMS. The arbitration shall be conducted pursuant to the provisions of the California Arbitration Act, sections 1280-1294.2 of the California Code of Civil Procedure. In such case, the provisions of Code of Civil Procedure Section 1283.05 and 1283.1 shall apply and are hereby incorporated into this Agreement.
- D. This section 18 shall survive the termination or expiration of this Agreement. If there is no

signed by both parties hereto. In proving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

Section 24. Successors. This Agreement shall be binding on and inure to the benefit of the respective parties hereto except to the extent of any contrary provision in this Agreement.

Section 25. Attorney’s Fees. If any party to this Agreement commences legal proceedings to enforce any of its terms or to recover damages for its breach, the prevailing party shall be entitled to recover its reasonable attorney’s fees, costs and the expenses of expert witnesses, including any such fees costs and expenses incurred on appeal.

IN WITNESS WHEREOF, the parties hereby have executed this Agreement on the day first above written:

CITY

CONTRACTOR

Signature_____

Signature_____

Printed Name_____

Printed Name_____

Title_____

Title_____

Date_____

Date_____

APPROVED AS TO FORM:

City Attorney

Exhibit A – Scope of Work

Scope of Work

South Auburn Street and Interstate 80 Roundabout Project City of Colfax

Task 1 - Project Management, Coordination & Documentation

The following Scope of Services outlines tasks necessary to provide Professional Engineering Design Services for the South Auburn Street and Interstate 80 Roundabout Project. Our Scope of Services has been developed based upon the Request for Proposal (RFP), visits to the project site, our expertise in roundabout design, and our experience on similar projects.

Typical duties would include the following:

Task 1.1 Project Management

Omni-Means will serve as overall Project Manager during the entire duration of the project for the preliminary engineering, preparation of the Plans, Specifications, and Estimates (PS&E) and construction support for the South Auburn Street and Interstate 80 Roundabout Project. The general project management responsibilities include:

- Develop Project Team and direct the team's activities
- Prepare the Project Scope and ensure adherence to its requirements
- Prepare and keep master Project Schedule, updating as necessary
- Coordinate project status meetings
- Manage subconsultants
- Effectively manage budget
- Implement Quality Assurance and Quality Control Measures

Task 1.2 Monthly Invoice and Progress Report

Omni-Means will prepare invoices at the end of each month of the previous month's work. Accompanying each invoice will be a monthly progress report that discusses the work accomplished during the previous month and a look ahead to the work expected to be completed in the next month. The progress report will also identify any issues that could affect the project cost and schedule such as requirements from Caltrans or affected utilities.

Task 1.3 Progress, Public Outreach, and City Council Meetings

Task 1.3.1 Progress

Omni-Means will provide meeting coordination and oversight. For budgeting purposes, the following five (5) meetings, all of which will include job site walks with City Staff if determined beneficial, have been assumed:

- Project Kick-Off Meeting
- 30% Design Review Meeting
- 70% Design Review Meeting
- 100% Design Review Meeting
- As-needed meeting

Task 1.3.2 Public Participation

Omni-Means shall prepare an organized, inclusive public participation and involvement program.

Mailers, Notices and Project Displays

Omni-Means will schedule each public meeting, prepare necessary presentation materials, and prepare and produce

South Auburn Street and Interstate 80 Roundabout Project | City of Colfax

handouts for each public meeting. We will prepare a meeting notice and prepare project fact sheets, agendas, comment sheets, and other print materials.

Public Meetings

A. Public Meeting #1 (30% Design) - The City will present a project history and will present the Omni-Means team. Omni-Means will present the progress made on the project since the design began for the PA/ED Phase. Omni-Means will also provide a presentation on where we are going and the next steps to be taken.

B. Public Meeting #2 (Final Design/Pre Construction) - Omni-Means will present the final design, anticipated construction staging, and the anticipated construction schedule. Omni-Means recommends the Construction Management's Resident Engineer (RE) be on-board at this time and is introduced to the public as a point of contact for day to day construction questions. Omni-Means will also provide a presentation on how to drive a roundabout.

Stakeholder Meetings

Omni-Means recommends these meetings be held one-on-one or in small groups of stakeholders with similar interests. At least one meeting should be held with each property owner affected by the project. The purpose and timing of the meeting(s) is to listen to their concerns and provide time for the design team to respond with potential solutions prior to the first public meeting.

- A. 30% Design - Team Intro, Project Intro, Impact intro
- B. Pre Public Meeting #1
- C. Pre Public Meeting #2

At this time it is anticipated that approximately four property owners will be Stakeholders including the developer of the Maidu Village project to the west, McDonald's, Starbucks, and Buzz through Joe's.

1.3.1 City Council Updates

Omni-Means shall attend and assist staff to provide a comprehensive project update before the City of Colfax Council. For budgeting purposes, we have assumed one (1) meeting

Task 1.4 Coordination with Utility Agencies and Caltrans

Omni-Means shall provide all coordination necessary with all affected utility agencies and Caltrans staff in developing the utility relocations leading to the Utility Certification. More specific information regarding utility relocations is included in Task 4.

Task 1.5 Coordinate Right-of-Way and NEPA activities

Omni-Means will provide the coordination necessary with the City and developer of the Maidu Village project who is donating the right-of-way required for the roundabout which efforts will lead to the Right-of-Way Certification. This effort includes meetings as necessary with the City and developer to complete the Right-of-Way certification. See Task 5 for more details. Omni-Means will also coordinate with the City and Caltrans regarding preparation of the National Environmental Protection Act (NEPA) document. See Task 6 for more details.

Task 1.6 Local Assistance Coordination

Omni-Means will prepare signature-ready Local Assistance Requests for Authorization for the right of way and construction phases. Omni-Means will prepare the Local Assistance Award submittals using information provided by the City and/or their construction management consultant.

Task 1.7 Obtain appropriate plan approvals from Utilities & Caltrans staff.

Omni-Means will provide all the services necessary to obtain plan approvals from the affected utilities and Caltrans leading to a full biddable package of PS&E. As a minimum overhead cable, telephone and power lines will more than likely be affected.

Task 2 - Surveying, Potholing and Base & Row Mapping

Our subconsultant UNICO will provide the following services necessary to complete its portion of the project.

Task 2.1 Topographic, Photogrammetric Survey and Potholing Support

UNICO will facilitate the delivery of an aerial based topographic and photogrammetric survey at 1=40' scale. This survey will include a color ortho-rectified image, full planimetric, 1' contours and a DTM 3D surface of the entire project limits. These limits are depicted in the RFP as shaded in red color. This will include the setting of ground control aerial panels along the project limits. In addition, UNICO will perform detailed (non-aerial) supplemental surveys and mapping at key design areas. This will include utility locations, rim and invert elevations on all accessible sewer and storm drain facilities, interfacing roadways and conforms, trees, poles, signs, lighting, traffic signals and boxes, driveways, under crossings, fences, USA paint markings and other areas not readily visible from the photogrammetric survey.

It may be necessary for UNICO to access Caltrans and some private properties. UNICO will coordinate with Caltrans to attain the necessary encroachment permit for access onto the State right of way early on to ensure access is ready once the necessary work begins. UNICO will also coordinate with the project engineer for access onto private property as necessary. It is expected that the project engineer will initiate the contact with the property owners. Once notified, UNICO will work with the project engineer and property owners to schedule appointments with each property owner to perform surveys.

UNICO will provide potholing support to locate position and depths of pre-potholed utilities. UNICO will update the base map to show the horizontal and vertical location of all potholed items.

Deliverables:

- *AutoCAD Base File*
- *Point Files*
- *DTM 3D Surface File*

Task 2.2 Boundary and Right of Way Survey

UNICO will research and review record right of way and property maps including deed documents along the project limits. UNICO will perform a field survey to locate sufficient monuments of record to resolve and map the record right of way along the desired route, including all adjoining parcels. Based on record and field surveys, UNICO will verify and map the existing road right of ways along the areas requiring topographic surveys and mapping, including the adjacent properties. UNICO will prepare a right of way and boundary base drawing in AutoCAD format from readily available record information that will include adjacent property owner information such as assessor's parcel numbers, street address and current ownership. UNICO will also request that the project engineer provide current title reports of all properties affected by the project that are to be mapped. This will ensure the accuracy and locations of all easements and exceptions related to each property. UNICO will utilize or establish a project horizontal and vertical control network as the basis of our work and will set permanent control points throughout the project for utilization of surveys and future construction control.

Deliverables:

- *AutoCAD Base File*
- *Point Files*
- *Control Diagram*
- *Copies of Maps and Deed Documents*

Task 3 - Preliminary Engineering

Task 3.1 Prepare Technical Memorandum.

Task 3.1.1 Obtain Existing Reports, Engineering Evaluations and Related Data

Omni-Means will obtain copies of previous transportation and environmental studies, related planning analysis and engineering studies for Maidu Village, and other relevant documents to provide a more complete understanding concerning the project area. Under this task, Omni-Means will also work with the City and Caltrans to complete the ICE process.

Available roadway corridor and interchange data will also be ascertained from researching available resources, including City, County, and Caltrans records. This information may include:

- Caltrans, City Survey Monumentation
- Recorded survey information
- As-Built Drawings
- Right-of-Way Documents
- Pavement width/condition
- Utility Maps/Locations
- City/County GIS information for the corridor
- Planned improvement projects

Task 3.1.2 Caltrans Encroachment Requirements

Omni-Means will meet with the staff at Caltrans District 3 in Marysville to determine, precisely, the requirements to secure their initial recognition of acceptable roundabout concepts. Omni-Means will work with the City and Caltrans to complete the ICE process, but this task does not include the development of a new ICE with new traffic counts, studies etc. It is anticipated that we will build on the work completed to date and obtain approval from Caltrans (if required) using the previously prepared ICE.

Task 3.1.3 Site Investigation

The Project Team will field review the project area to develop factors that could affect the design of the proposed improvements.

Task 3.1.4 Geotechnical Investigation

Potholing

WRECO will perform potholing to better locate (horizontally and vertically) the existing utilities within the Project area. WRECO will perform the following tasks:

- Visit the site to mark out in white paint the proposed boring locations, and call USA North Dig Alert a minimum of 72 hours prior to the start of the field investigation work to identify potential underground conflicts.
- Obtain an encroachment permit to perform work within the City's right-of-way (at no cost to WRECO).
- Obtain an encroachment permit to perform work within Caltrans' right-of-way (pay fee).
- Hire a potholing contractor to perform the potholing and air-knifing work.
- Hire a traffic control contractor.

Design Phase & Preparation of Bid Documentation

Field Investigation and Laboratory Testing

WRECO proposes to perform the following for this task:

- Visit the site to mark out in white paint the proposed boring locations, and call USA North Dig Alert a minimum of

- 72 hours prior to the start of the field investigation work to identify potential underground conflicts.
- Obtain an encroachment permit to perform work within the City's right-of-way (at no cost to WRECO).
- Obtain an encroachment permit to perform work within Caltrans' right-of-way (pay fee).
- Obtain a drilling permit from Placer County to perform boring work.
- Drill up to five (5) soil borings to completion depth of 10 feet below existing road grade or refusal on rock. These borings will be located within the existing City and Caltrans's rights-of-way, and traffic control will be required for work within the street. The drilling work will be used to obtain disturbed and relatively undisturbed representative soil samples for use in better characterizing the soil conditions within the limits of the Project.
- The borings will be backfilled with lean cement grout in accordance with the State Water Resources Control Board requirements. Drill cuttings will be drummed and disposed of at a proper waste receiving facility.
- Where penetrated, the existing asphalt pavement will be patched using SET45 high strength grout dyed black.
- Representative soil samples will be tested in a laboratory to better determine their engineering parameters. Laboratory testing will generally consist of gradation determination, corrosive potential, optimum moisture content/maximum dry density, and R-value testing. Actual testing will be determined when the soil samples are recovered during the field investigation.

The descriptions of the soils encountered and a summary of the laboratory testing will be provided on a Boring Log, and the boring location will be presented on a Boring Location Plan. These will be prepared in general accordance with Caltrans' requirements.

Materials Report

WRECO will prepare a Materials Report in conformance with the latest Caltrans' guidelines. The report will provide the following general information for the roadway construction of the Project. The study will include the following:

- Summary of the existing facilities, pavement cores, and soils encountered during the borings.
- Copies of the laboratory testing results.
- Cut and fill requirements and any special issues regarding groundwater, difficult excavation, expansive soils, or other hazards encountered in the borings.
- Recommendations for the reuse of excavated materials and volumes of such (swell and/or shrinkage factors to be applied), as well as estimated quantity of import/export fill.
- Recommendations for utilities and buried metal conduits based on the results of the corrosion testing.
- New structural pavement sections and recommendations for connecting to the existing pavement sections.

Deliverables:

- *Draft Materials Report (PDF)*
- *Final Materials Report (PDF and 3 hard copies)*

Task 3.1.5 Prepare Design Layout

The Omni-Means approach is to identify the geometric improvements required to meet design year traffic projections. This subtask includes the development of the basic roadway alignments that will mitigate the physical constraints and design year traffic capacity requirements along each approach. From this, one or two alternative concepts will be generated illustrating the geometric configurations and the potential for right-of-way and environmental effects of each (including potential fatal flaw issues). These alternative concepts will ensure that the design meets pedestrian, bicycle, and ADA accessibility standards, and minimizes impacts to existing utilities and right-of-way takes. Landscaping concepts, including irrigation and planting concepts, will be addressed for both the center island, the splitter islands, and the areas outside of the lanes.

Task 3.1.6 Preliminary Cost Estimates

Preliminary Opinion of Costs will be prepared for each roundabout alternative based on generalized per square foot or lineal foot costs. These will be used for budgeting purposes.

Task 3.1.7 Public Workshop

A Public Workshop can be held at the point where reasonable alternative geometric concepts are ready for review and public input. The Public Workshop will provide information on the project background, purpose, and scope of work, as well as solicit information from citizens. Omni-Means will coordinate the scheduling of all meetings with the City, with the city being responsible for arranging the facility and issuing meeting notices. Omni-Means will prepare the meeting notices, the agenda, sign-in sheets, and comment cards, as well as record public comments and help to facilitate appropriate responses.

This meeting could be held prior to a City Council meeting, or in a more informal open house environment. We would recommend two (2) Open Houses, one at this Technical Memorandum stage, and one when the tentative final design is complete.

Task 3.1.8 Project Alternatives Technical Memorandum

A Technical Memorandum working paper will be prepared by Omni-Means that summarizes the results of the technical studies. The Technical Memorandum will also include the project's "Need and Purpose". It will include the anticipated environmental document and timeline for approval, anticipated right-of-way needs and timeline for acquisition and certification, and a potential utility conflicts and a plan/timeline for their relocation. The Technical Memorandum will also summarize the results of the Public Workshop and present/discuss resolutions to issues raised by the citizens, business owners, or other stakeholders.

Task 3.2 Utility Identification

Coordination with all appropriate agencies and utility companies will be accomplished. Omni-Means will identify potential utilities that may require relocation and begin coordination of any relocation requirements.

Task 3.3 Establish Timeline for NEPA Approval

Under this Task, Omni-Means will identify the anticipated document to obtain NEPA approval, along with the expected timeline. It appears that the appropriate document will be a Preliminary Environmental Study leading to a Categorical Exclusion. If this is an accurate assumption, then obtaining NEPA approval will not adversely affect the project delivery schedule.

Task 4 - Environmental Services

The Environmental Services for the project will be accomplished by our subconsultant DeNovo Planning Group. Following is their scope of work.

Task 4.1 Prepare a Project Environmental Study (PES)

De Novo will review the existing plans and project description. We will then prepare a PES and submit it to the Caltrans office and the City of Colfax for their review. We will coordinate with Caltrans during their review of the PES. The project engineer will provide and process the APE map and will be provide it to us for our use in the PES.

Deliverable: One (1) electronic copy of the PES.

Task 2 Prepare NEPA Document

De Novo Planning Group will prepare a Categorical Exclusion (NEPA) for the proposed project. This work effort will not include the preparation of any technical studies. We will submit an administrative review copy of this document to the City of Colfax for review and comment. We will revise the document based on the comments received and prepare a final draft. We will provide the City of Colfax and Caltrans with an electronic copy of the document for processing through their agency approval process.

Note: the preparation of the CE does not include the preparation of an Environmental Assessment, Finding of No

South Auburn Street and Interstate 80 Roundabout Project | City of Colfax

Significant Impact, or technical studies. Additionally, it is anticipated that the City will prepare a CEQA document, and will provide that to us for background analysis.

Task 3 Project Management/Meetings

De Novo will attend meetings up to four (4) hours. We anticipate that the Project Manager will be required for each meeting. Technical support from other members may be required on occasion and will be accommodated as necessary. This task also includes time for contract administration/billings, general correspondence, and miscellaneous direct costs.

Task 5 - Right of Way Support Services

Task 5.1 Right-of-Way Certification

Under this task, Omni-Means will provide the right-of-way certification for the project as per Caltrans right-of-way procedures Chapter 13 of the Local Assistance Procedures Manual (LAPM). It is anticipated that one property acquisition will be required and that will be donated to the City from the Maidu Village development. Additionally, Rights to Enter and Construct may be required for McDonald's, Buzz thru Joes, and Starbucks.

Task 6 - Utility Support Services

6.1 Utility Coordination

Under this task, Omni-Means will coordinate with the utility purveyors to ensure that all utilities are appropriately identified, any future plans coordinated with this project, and any relocations are adequately addressed.

6.2 Utility Conflict Maps

Omni-Means will prepare utility conflict maps based on the proposed improvements in the 30% plans. These plans will be used to identify and/or confirm conflicts and obtain any comments the utility purveyors may have. One Conflict Map will be prepared for each utility involvement.

6.3 Preliminary Utility Relocation Plan Coordination & Relocation Letter

This task addresses coordination of the preliminary utility relocation plans with the plans for the project. The affected utility company will complete their relocation plans with input from Omni-Means. For instance, utility sleeves for potential future projects, clearances, and cost and schedules to relocate are typical items addressed under this task. Utility relocations are assumed to be completed prior to construction of the project, or by the utility purveyors' own forces. If it is necessary to perform some of the utility relocations simultaneously with the project construction, coordination of the phasing of utility relocations will be addressed in the Special Provisions and on the Stage Construction Plans.

Omni-Means will also prepare a relocation letter to be signed and sent by City staff to each utility purveyor addressing the needed relocations, anticipated construction schedule, and liability.

6.4 Utility Agreement Support and Notice to Owner Letters

Omni-Means will be available to support the City in the drafting of utility agreements for the relocation of utilities. It is assumed that the City will prepare and execute the Utility Agreements. Omni-Means will prepare the Notice to Owner letters and provide a copy to the City for signature and subsequent delivery to the utility companies.

Task 7 - Design Phase & Preparation of Bid Documentation

Task 7.1 - Preliminary Engineering (30% Design)

South Auburn Street and Interstate 80 Roundabout Project | City of Colfax

Under this task, Omni-Means will refine the design to minimize impacts to any identified environmentally sensitive areas, utilities, State right of way, and reduce the approach grades. Omni-Means will submit up to five (5) half-sized (11"x17") plans and landscape concepts to the City, five (5) hard copies of the estimate, and electronic copies of each submittal.

7.1.1 30% Plans and Estimate

Omni-Means will prepare an intersection Siting Study to determine the optimum roundabout layout with considerations to safety, profile grade (analysis of overturning high profile vehicles, ADA design requirements, drainage/snow melt, and acceleration/deceleration of vehicles on grade), right of way impacts, Caltrans right of way/processing, and coordination with the proposed Maidu Village development.

Omni-Means will modify the roundabout concept prepared for the proposal to the 30% design level and incorporate any revisions resulting from discussion with City Staff at the Kick-Off Meeting. Omni-Means will revise the draft concept and prepare a preliminary Estimate. The following plan sheets are anticipated:

- Title Sheet
- Horizontal Control Plan
- Demolition/Clearing
- Cross Sections
- Utility Plans
- Roadway Layout
- Preliminary Roadway Profiles and Grading
- Quantity Tabulation
- Construction Details
- Pavement Delineation/Guide Signing
- Lighting Plans
- Erosion Control Plans
- Stage Construction Plans

7.1.2 Not Used for this Contract

7.1.3 Preliminary Caltrans Coordination & Plan Submittal

Under this task Omni-Means will coordinate with Encroachment Permit Staff and conduct a meeting with Caltrans staff in the City of Colfax to conduct a meeting and field walk, or at the District Offices in Marysville to introduce staff to the project and discuss the City's approach to project delivery. Omni-Means will provide an exhibit showing the Encroachment Permit Project limits and one showing the overall project.

Also under this task Omni-Means will submit an encroachment permit package to include the encroachment permit, an estimate for work in Caltrans right of way and draft plans to the Caltrans Encroachment Permit Office.

Task 7.2- Final Design

Under this task, Omni-Means will submit up to five (5) half-sized (11"x17") plans, five (5) hard copies of the estimate and specification, and electronic copies of each submittal. The final plans/bid documents will be provided as full sized. Omni-Means will provide five (5) full sized plan sets and an electronic set of full and half sized plans for reproduction.

7.2.1 Drainage Report

Under this task, Omni-Means shall prepare the Drainage Report. Elements for the report include the existing and proposed drainage shed maps, narrative of the drainage conditions prior to and after the project, determination of pre and post runoff quantities and water quality calculations consistent with the City requirements for Low Impact Design

South Auburn Street and Interstate 80 Roundabout Project | City of Colfax

using the Placer County Low Impact Design Guidebook.

Preliminary Drainage Report

- Drainage Shed Maps (Pre and Post)
- Determination of Incremental Runoff
- Determination of Water Quality Volume
- Initial Design Approach: During and Post Construction

Water Quality Features

- Identify Drainage Management Areas
- Construction SWPPP
- Post Construction Features

Final Drainage Report

- Water Quality Elements - sizing and design
- Storm Water Quality Management Plan
- Hydraulic Grade Line Calculations
- Pipes, Culverts and Swales

7.2.2 70% PS&E

Omni-Means will incorporate all revisions based on review comments of the 30% Design and prepare the 70% PS&E. Omni-Means will prepare detailed quantities in accordance City Standards, including a draft Bid Schedule with estimated quantities and unit prices. This estimate will also identify any additive/alternate bid items to include in the contract documents, such as specialty or decorative items, to be included in the roundabout center island. The engineer's estimate of probable construction cost ("Marginal Estimate") for the project will be prepared using the most recent and relevant Caltrans Cost Data, as well as the City's cost data, if available. Specifications will be formatted in accordance with Caltrans formatting standards, prepared in MS "WORD" format. A disk copy will be submitted to the City.

Omni-Means will provide a formal comment resolution table identifying all design review comments received on the 30% submittal.

Omni-Means will prepare landscape architecture construction documents based on the selected landscape concept, planting only. Monumentation, sculptures, and/or public art can be incorporated into the design on an additional time and materials basis.

7.2.3 100% PS&E (Draft Final Plans)

The plans prepared as part of the 70% design will be supplemented with additional details and information as necessary to respond to comments received. Supplemental reports and other supporting calculations will be updated and resubmitted as part of the 100% PS&E submittal package.

Omni-Means will provide a formal comment resolution table identifying all design review comments received on the design plans and submitted reports. The Cost Estimate and Bid Schedules will be revised to incorporate any changes from the 70% submittal.

Under this task, we will prepare the Project Specifications and Bid Documents per Town Standards. It is assumed the Town will provide any front-end contract boilerplate language required.

7.2.4 Not Used for this Contract

7.2.5 Not Used for this Contract

7.2.6 Caltrans Encroachment Permit Submittals

Omni-Means will incorporate all revisions based on Caltrans review comments of the Draft Plan Submittal and prepare the 100% PS&E. Omni-Means will prepare detailed quantities for work within the State Right of Way, including a draft Bid Schedule with estimated quantities and unit prices.

Under this task, Omni-Means will also incorporate all revisions based on Caltrans review comments of the 70% PS&E and prepare Final Encroachment Permit Package for Caltrans Approval.

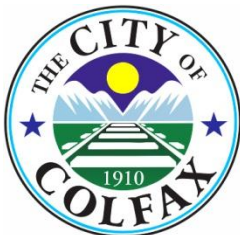
Omni-Means will provide a formal comment resolution table identifying all design review comments received on both the Draft Plan Submittal and the 70% PS&E.

Task 8 - Prepare Record Drawings

Consultant will coordinate with the City and contractor to obtain all the red-lined drawings to record all the changes made in the field during construction. Consultant will issue an electronic colored pdf set of "As-built" drawings, duly stamped, upon receipt of the red-lined drawings.

Task 9 – Final PS&E/Bid Document Preparation (Optional)

Omni-Means will update the PS&E based on the agreement and resolution of comments for final submittal of sealed plans and specifications to the City. This submittal will represent the final contract documents that will be issued for bid and construction.



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE NOVEMBER 8, 2017 COUNCIL MEETING

FROM: Wes Heathcock, Interim City Manager
PREPARED BY: Dane H. Schilling, City Engineer
DATE: November 1, 2017
SUBJECT: Pavement Management Plan Update

<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT: N/A	FROM FUND: 250
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RECOMMENDED ACTION: For information only.

BACKGROUND AND ANALYSIS:

On May 10, 2017, the City Council adopted Resolution 17-2017 authorizing Coastland Engineering to prepare a Pavement Management Plan (PMP). City Council goals include street improvements and the first step in accomplishing this goal is to evaluate the current condition of pavement throughout the City to assist in prioritizing pavement projects. The PMP will systematically evaluate the current pavement conditions as well as project future pavement conditions for all City maintained streets. Additionally, the Pavement Management Plan will recommend annual budget requirements for maintenance and rehabilitation of the City street system.

The following progress has been made on the PMP as of November 1st (note: tasks are listed in accordance with the approved scope of work):

TASK 1 – STREET SEGMENTATION

- Inventory - research of City records and inventory of City owned streets. **Completed**
- Review GIS map previously prepared by City Staff and compared with inventory research. Rectify results as needed. **Completed**
- Examine characteristics of each street such as cross streets, estimate year of construction, general surface condition and geometrics to define unique street segments. **Completed**
- Create, number and measure individual street segments. **Completed**
- Populate database with 96 street segments. **Completed**

TASK 2 – FIELD DISTRESS SURVEY

- As of November 1, 2017, 88 (92%) of the 96 of the street segments have been surveyed.
- All surveys are expected to be complete by November 10th.

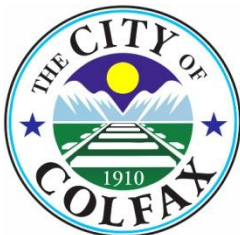
Resolving discrepancies between previous GIS work performed by City staff and the current effort has been hampered by the unavailability of inspectors during the construction season and complications with the current database.

NEXT STEPS

- Task 2 – Complete inspection of remaining street segments by **November 10th**.
- Task 3 – Enter all inspection data by **November 13th**.
- Task 4 - Budget Scenarios Analysis will generate five different 5-year expenditure plans (“what if’s”) for planning/budgeting purposes: a) unlimited funding; b) \$0 funding; c) reasonably expected 5-year funding; d) funding required to keep the resulting average citywide PCI the same by for the next 5 years; and e) funding required to increase the resulting average citywide PCI by 5 PCI points in the next 5 years. Complete by **November 17th**.
- Task 5 – Prepare a draft PMP Report for Staff review by **November 17th**.
- Task 5 - Present the draft PMP to City Council and seek guidance on funding on **December 13th**.
- Task 5 – Prepare a final PMP Report for Council adoption on **January 10th**.

FISCAL IMPACT:

No fiscal impact at this time. By adopting the PMP the City can better understand the condition of its streets, prioritize the maintenance of streets and perform the maintenance as funding becomes available.



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE NOVEMBER 8, 2017 COUNCIL MEETING

FROM: Wes Heathcock, Interim City Manager
PREPARED BY: Wes Heathcock, Interim City Manager
DATE: November 2, 2017
SUBJECT: Wastewater Treatment Plant Laboratory Services

N/A FUNDED UN-FUNDED **AMOUNT:** approx. \$63,500 **FROM FUNDS:** 560

RECOMMENDED ACTION: Adopt Resolution 52-2017 authorizing the Interim City Manager to enter into a Contract Agreement with 49ER Water Services for laboratory services for fiscal year 2017/18 with an option to extend the contract in year two and three..

DISCUSSION AND SUMMARY:

Wastewater Treatment Plant laboratory testing and monitoring was previously performed by Diamond Water Laboratory. The credentials for Diamond Water Laboratory to perform testing and monitoring have been revoked. Staff selected an interim laboratory to maintain regulatory compliance until a Request for Proposals (RFP) was completed.

Staff released an RFP in early October requesting laboratory services for the Wastewater Treatment Plant with a submittal deadline of October 20, 2017. The City received three proposals in response to the solicitation – 49ER Water Services, Alpha Analytical Laboratories Inc., and SilverState Analytical Laboratories. The selection criterion was based on proposal responses to the project team description and qualifications, scope of services, subcontracting laboratories, client references, and pricing. Based on the proposals submitted, staff believes 49ER Water Services best fits the City’s needs for the following reasons:

- Consultant staff familiarity with the Wastewater Treatment Plant and its permit requirements.
- Additional customer support in document creation and sampling.
- Past experience working with consultant staff through Diamond Water Laboratory.
- Proposal cost - the lowest of the three proposals.

Consultant	Cost
SilverState Analytical Laboratories	\$94,275
Alpha Analytical Laboratories Inc.	\$66,192
49ER Water Services	\$63,461

Staff is recommending Council authorize the Interim City Manager to enter into an agreement with 49ER Water Services for fiscal year 2017/18 with an option to extend the contract in years two and three.

FINANCIAL AND/OR POLICY IMPLICATIONS:

The contract amount of \$63,500 for fiscal year 2017/18 is included in the approved 2017/2018 Budget in Sewer Fund 560. The Wastewater Treatment Plant will renew the NPDES Permit with the Regional Water Quality Control Board in the coming year. Based on early discussions with the Regional Water Quality Control Board staff, City staff is optimistic the monitoring costs could be reduced in future years

ATTACHMENTS:

- 1) Resolution 52-2017
- 2) Contract
- 3) 49er Water Services Proposal

City of Colfax

City Council

Resolution № 52-2017

AUTHORIZING THE INTERIM CITY MANAGER TO ENTER INTO A CONTRACT AGREEMENT WITH 49ER WATER SERVICES FOR LABORATORY SERVICES FOR FISCAL YEAR 2017/18 WITH AN OPTION TO EXTEND THE CONTRACT IN YEARS TWO AND THREE.

WHEREAS, the City's Wastewater Treatment Plant contracted laboratory service testing and monitoring credentials were revoked; and,

WHEREAS, City staff solicited for proposals from laboratory consultants in early October 2017 for Wastewater Treatment Plant laboratory services; and,

WHEREAS, the City received three proposals on October 20, 2017 and determined 49ER Water Services was the best suited organization to meet the City laboratory needs.

NOW THEREFORE, BE IT RESOLVED the City Council of the City of Colfax authorizes the Interim City Manager to enter into an agreement with 49ER Water Services for City Waste Water Treatment Plant laboratory services in the form attached for fiscal year 2017/18 with an option to extend the contract in years two and three.

THE FOREGOING RESOLUTION WAS DULY PASSED AND REGULARLY ADOPTED at the Regular Meeting of the City Council of the City of Colfax held on the 8th day of November, 2017 by the following vote of the Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

Stephen L. Harvey, Mayor

ATTEST:

Lorraine Cassidy, City Clerk

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT is made and entered into on this **9th day of November, 2017** by and between the City of Colfax, a municipal corporation of the State of California ("City") and 49ER Water Services ("Consultant").

RECITALS

- A. The City desires to retain Consultant to provide the Services set forth in detail in Exhibit A hereto (the "Services") subject to the terms and conditions of this Agreement.
- B. Consultant is duly licensed and sufficiently experienced to undertake and perform the Services in a skilled and workmanlike manner and desires to do so in accordance with the terms and conditions of this Agreement.

Now, therefore, in consideration of the mutual covenants, promises and conditions set forth in this Agreement, the City and Consultant agree as follows:

Section 1. Services.

Subject to the terms and conditions set forth in this Agreement, Consultant shall furnish and perform all of the Services described in detail in Exhibit A hereto and incorporated herein by this reference (the "Services") to the satisfaction of the City. Consultant shall not perform any work exceeding the scope of the Services described in Exhibit A without prior written authorization from the City.

Section 2. Time of Completion.

Consultant's schedule for performance of the Services is set forth in Exhibit A hereto which is incorporated herein by this reference. Consultant shall commence performance of the Services promptly upon receipt of written notice from the City to proceed. **The contract term is for fiscal year 2017/18 with an option to extend the contract in year two and three.** During the performance of the Services, Consultant shall provide the City with written progress reports at least once each month and at such additional intervals as City may from time to time request.

Section 3. Compensation.

- A. Except as may otherwise be provided in Exhibit A or elsewhere in this Agreement or its exhibits, Consultant shall invoice City once each month for the Services performed during the preceding month in an amount not to exceed \$5000. Such invoices shall itemize all charges in such detail as may reasonably be required by City in the usual course of City business but shall include at least:
- i. the date of performance of each of the Services,
 - ii. identification of the person who performed the Services,
 - iii. a detailed description of the Services performed on each date,
 - iv. the hourly rate at which the Services on each date are charged,
 - v. an itemization of all costs incurred and
 - vi. the total charges for the Services for the month invoiced.
- As long as the Consultant performs the Services to the satisfaction of the City, the City shall pay the Consultant an all-inclusive compensation that shall not exceed the amount as detailed in Exhibit A except pursuant to an authorized written change order issued pursuant to Section 15 of this Agreement before the Services requiring additional compensation are performed. City shall pay Consultant no later than thirty (30) days after approval of the monthly invoice by City's staff.
- B. The Consultant's compensation for the Services shall be full compensation for all indirect and direct personnel, materials, supplies, equipment and services incurred by the Consultant and used in carrying out or completing the Services. Payments shall be in accordance with the payment schedule established in Exhibit A or elsewhere in this Agreement or its exhibits.
- C. The City shall have the right to receive, upon request, documentation substantiating charges billed to the City pursuant to this Agreement. The City shall have the right to perform an audit of the Consultant's relevant records pertaining to the charges.
- D. Any Services performed more than sixty (60) days prior to the date upon which they are invoiced to the City shall not be compensable.

Section 4. Professional Ability; Standard of Quality.

City has relied upon the professional training and ability of Consultant to perform the Services described in Exhibit A as a material inducement to enter into this Agreement. Consultant shall therefore provide properly skilled professional and technical personnel to perform all Services under this Agreement. All Services performed by Consultant under this Agreement shall be in a skillful, workmanlike manner in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

Section 5. Indemnification.

Consultant shall hold harmless and indemnify, including without limitation the cost to defend, the City and its officers, agents and employees from and against any and all claims, demands, damages, costs or liability that arise out of, or pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant and/or its agents in the performance of the Services. This indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, arising from the sole negligence, willful misconduct or material defects in design by the City or its agents, servants employees or independent contractors other than Consultant who are directly responsible to the City, or arising from the active negligence of the City officers, agents, employees or volunteers

Section 6. Insurance.

Without limiting Consultant's indemnification obligations provided for above, Consultant shall take out before beginning performance of the Services and maintain at all times during the life of this Agreement the following policies of insurance with insurers possessing a Best rating of not less than A. Consultant shall not allow any subcontractor, professional or otherwise, to commence work on any subcontract until all insurance required of the Consultant has also been obtained by the subcontractor.

- A. Workers' Compensation Coverage. Statutory Workers' Compensation insurance and Employer's Liability Insurance to cover its employees. In the alternative, Consultant may rely on a self-insurance program to meet its legal requirements as long as the program of self-insurance complies fully with the provisions of the California Labor Code. Consultant shall also require all subcontractors, if such are authorized by the City, to similarly provide Workers' Compensation insurance as required by the Labor Code of the State of California for all of the subcontractor's employees. All Workers' Compensation policies shall be endorsed with the provision that the insurance shall not be suspended, voided, or cancelled until thirty (30) days prior written notice has been provided to City by the insurer. The Workers' Compensation insurance shall also contain a provision whereby the insurance company agrees to waive all rights of subrogation against the City and its elected or appointed officials, officers, agents, and employees for losses paid under the terms of such policy which arise from the Services performed by the insured for the City.

- B. General Liability Coverage. General liability insurance, including personal injury and property damage insurance for all activities of the Consultant and its subcontractors, if such are authorized by the City, arising out of or in connection with the Services. The insurance shall be written on a comprehensive general liability form and include a broad form comprehensive general liability endorsement. In the alternative, the City will accept, in satisfaction of these

requirements, commercial general liability coverage which is equivalent to the comprehensive general liability form and a broad form comprehensive general liability endorsement. The insurance shall be in an amount of not less than \$1 million combined single limit personal injury and property damage for each occurrence. The insurance shall be occurrence based insurance. General liability coverage written on a claims made basis shall not be acceptable absent prior written authorization from the City.

- C. Automobile Liability Coverage. Automobile liability insurance covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than \$1 million combined single limit for each occurrence.
- D. Policy Endorsements. Each general liability and automobile liability insurance policy shall be endorsed with the following provisions:
1. The City, and its elected or appointed officials, employees and agents shall be named as insureds or additional insureds with regard to damages and defenses of claims arising from activities performed by or on behalf of the Consultant.
 2. The insurance afforded by each policy shall apply separately to each insured who is seeking coverage or against whom a claim is made or a suit is brought, except with respect to the insurer's limits of liability.
 3. The insurance shall be primary insurance as respects the City and its elected or appointed officers, officials, employees and agents. Any other insurance maintained by the City or its elected or appointed officers, officials, employees, agents or volunteers shall be in excess of this insurance and shall not contribute with it.
 4. The insurance shall not be suspended, voided, cancelled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been provided to the City.
 5. Any failure to comply with the reporting requirements of any policy shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, or agents.
- E. Professional Liability Coverage. If required by the City, Consultant shall also take out and maintain professional liability, errors and omissions insurance in an amount not less than \$1 million. The professional liability insurance policy shall be endorsed with a provision stating that it shall not be suspended, voided, cancelled, or reduced in coverage or in limits except after thirty (30) days written notice has been provided to the City.

- F. Insurance Certificates and Endorsements. Prior to commencing the Services under this Agreement, Consultant shall submit to the City documentation evidencing the required insurance signed by the insurance agent and the companies named. This documentation shall be on forms which are acceptable to the City and shall include all required endorsements and verify that coverage is actually in effect. This Agreement shall not be effective until the required insurance forms and endorsements are submitted to and approved by the City. Failure to provide these forms within the time period specified by City may result in the award of this Agreement to another Consultant should the City, in its sole discretion, decide to do so. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement.
- G. Deductible and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by City.
- H. Termination of Insurance. If the City receives notification that Consultant's insurance will be suspended, voided, cancelled or reduced in coverage or in limits, and if the Consultant does not provide for either the reinstatement of that insurance or for the furnishing of alternate insurance containing all of the terms and provisions specified above prior to the termination of that insurance, City may either terminate this Agreement for that breach, or City may secure the required insurance to satisfy the conditions of this Agreement and deduct the cost thereof from compensation which would otherwise be due and payable to the Consultant for Services rendered under the terms of this Agreement.

Section 7. Subcontracts.

Consultant may not subcontract any portion of the Services without the written authorization of City. If City consents to a subcontract, Consultant shall be fully responsible to the City and third parties for all acts or omissions of the subcontractor to which the Services or any portion thereof are subcontracted. Nothing in this Agreement shall create any contractual relationship between City and any subcontractor, nor shall it create any obligation on the part of the City to pay or cause the payment of any monies due to any such subcontractor except as otherwise is required by law.

Section 8. Assignment.

Consultant shall not assign any right or obligation under this Agreement without the City's prior written consent. Any attempted assignment of any right or obligation under this Agreement without the City's prior written consent shall be void.

Section 9. Entire Agreement.

This Agreement represents the entire understanding of City and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered herein. This Agreement may not be modified or altered except in writing signed by both parties.

Section 10. Jurisdiction.

This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction over any litigation arising from this Agreement shall be in the Superior Court of the State of California with venue in Placer County, California.

Section 11. Suspension of Services.

Upon written request by Consultant, City may suspend, in writing, all or any portion of the Services if unforeseen circumstances beyond the control of the City and Consultant make normal progress of the Services impossible, impractical or infeasible. Upon written City approval to suspend performance of the Services, the time for completion of the Services shall be extended by the number of days performance of the Services is suspended.

Section 12. Termination of Services.

City may at any time, at its sole discretion, terminate all or any portion of the Services and this Agreement upon seven (7) days written notice to Consultant. Upon receipt of notice of termination, Consultant shall stop performance of the Services at the stage directed by City. Consultant shall be entitled to payment within thirty (30) days for Services performed up to the date of receipt of the written notice of termination. Consultant shall not be entitled to payment for any Services performed after the receipt of the notice of termination unless such payment is authorized in advance in writing by the City.

Should Consultant fail to perform any of the obligations required of Consultant within the time and in the manner provided for under the terms of this Agreement, or should Consultant violate any of the terms and conditions of this Agreement, City may terminate this Agreement by providing Consultant with seven (7) days written notice of such termination. The Consultant shall be compensated for all Services performed prior to the date of receipt of the notice of termination. However, the City may deduct from the compensation which may be owed to Consultant the amount of damage sustained or estimated by City resulting from Consultant's breach of this Agreement.

Consultant's obligations pursuant to Sections 5 and 6 of this Agreement shall survive termination, and continue in effect for as long as necessary to fulfill the purposes of Sections 5 and 6.

Section 13. Independent Contractor.

Consultant shall in all respects be an independent contractor and not an agent or employee of City. Consultant has and shall retain the right to exercise full control and supervision of the means and methods of performing the Services. Consultant shall receive no premium or enhanced pay for Services normally understood as overtime; nor shall Consultant receive holiday pay, sick leave, administrative leave or pay for any other time not actually expended in the performance of the Services. It is intended by the parties that Consultant shall not be eligible for benefits and shall receive no compensation from the City, except as expressly set forth in this Agreement. Consultant shall submit completed W -9 and Report of Independent Contractor forms upon execution of this Agreement and prior to the payment of any compensation hereunder.

Section 14. Ownership of Documents.

Within thirty (30) days after the Consultant substantially completes performance of the Services, or within thirty (30) days after the termination of this Agreement, the Consultant shall deliver to the City all files, records, materials and documents drafted or prepared by Consultant's in the performance of the Services. It is expressly understood and agreed that all such files, records, materials and documents are the property of the City and not the property of the Consultant. All finished and unfinished reports, plans, studies, documents and other writings prepared by and for Consultant, its officers, employees and agents in the course of performing the Services shall become the sole property of the City upon payment to Consultant for the Services, and the City shall have the exclusive right to use such materials in its sole discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents and writings to City or any party the City may designate, upon written request. Consultant may keep file copies of all documents prepared for City. Use of any such documents by the City for projects that are not the subject of this Agreement or for purposes beyond the scope of the Services shall be at the City's sole risk without legal liability or expense to Consultant.

Section 15. Changes and/or Extra Work.

Only the City Council may authorize extra and/or changed Services, modification of the time of completion of the Services, or additional compensation for the tasks to be performed by Consultant. Consultant expressly recognizes that other City personnel are without authorization to order extra and/or changed Services or to obligate the City to the payment of additional compensation. The failure of Consultant to secure the prior written authorization for such extra and/or changed Services shall constitute a waiver of any and all right to adjustment in the contract price due to such unauthorized Services, and Consultant thereafter shall not be entitled to any compensation whatsoever for the performance of such extra or changed Services. In the event Consultant and City agree that

extra and/or changed Services are required, or that additional compensation shall be awarded to Consultant for performance of the Services under this Agreement, a supplemental agreement providing for such compensation shall be prepared and shall be executed by the Consultant and the necessary City officials before the extra and/or changed Services are provided.

Section 16. Compliance with Federal, State and Local Laws.

Consultant shall comply with all applicable federal, state and local laws, statutes, ordinances, rules and regulations affecting the Services, including without limitation laws requiring licensing and prohibiting discrimination in employment because of race, creed, color, sex, age, marital status, physical or mental disability, national origin or other prohibited bases. City shall not be responsible or liable for Consultant's failure to comply with applicable laws, statutes, ordinances, rules or regulations.

Section 17. Retention of Records.

Consultant and any subconsultants authorized by the terms of this Agreement shall keep and maintain full and complete documentation and accounting records, employees' time sheets, and correspondence pertaining to the Services, and Consultant shall make such documents available for review and/or audit by City and City's representatives at all reasonable times during performance of the Services and for at least four (4) years after completion of the Services and/or termination of this Agreement.

Section 18. Alternative Dispute Resolution

- A. Before resorting to mediation, arbitration or other legal process, the primary contacts of the parties shall meet and confer and attempt to amicably resolve any dispute arising from or relating to this Agreement subject to the following provisions. Any party desiring to meet and confer shall so advise the other party pursuant to a written notice. Within 15 days after provision of that written notice by the party desiring to meet and confer, the primary contacts for each party shall meet in person and attempt to amicably resolve their dispute. Each primary contact, or the person acting in their absence with full authority to resolve the dispute, shall attend the meeting and shall be prepared to devote an entire day thereto. If any dispute remains unresolved at the end of the meeting, any party to this Agreement shall have the right to invoke the mediation process provided for in the subparagraph B below.
- B. Subject to the provisions of subparagraph A, any dispute that remains unresolved after the meet and confer shall immediately be submitted to non-binding neutral mediation, before a mutually acceptable, neutral retired judge or justice at the Sacramento Office of the Judicial Arbitration and Mediation Service ("JAMS"). If

within five days after the meet and confer the parties are unable to agree upon the selection of a neutral mediator, then the first available retired judge or justice at the Sacramento office of JAMS shall serve as the neutral mediator. The parties agree to commit to at least one full day to the mediation process. Additionally, to expedite the resolution of any dispute that is not resolved by mediation, the parties agree to each bring to the neutral mediation a list of at least five neutral arbitrators, including their resumes, whose availability for an arbitration hearing within 30 days after the mediation has been confirmed.

- C. If mediation is unsuccessful, before the mediation concludes, the parties shall mediate the selection of a neutral arbitrator to assist in the resolution of their dispute. If the parties are unable to agree on an arbitrator, the parties agree to submit selection of an arbitrator to the mediator, whose decision shall be binding on the parties. In that case, the mediator shall select a neutral arbitrator from the then active list of retired judges or justices at the Sacramento Office of the JAMS. The arbitration shall be conducted pursuant to the provisions of the California Arbitration Act, sections 1280-1294.2 of the California Code of Civil Procedure. In such case, the provisions of Code of Civil Procedure Section 1283.05 and 1283.1 shall apply and are hereby incorporated into this Agreement.
- D. This section 18 shall survive the termination or expiration of this Agreement. If there is no Sacramento office of JAMS, then the office of JAMS closest to the City shall be used instead of a Sacramento office.

Section 19. Severability.

The provisions of this Agreement are severable. If any portion of this Agreement is held invalid by an arbitrator or by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect unless amended or modified by the mutual written consent of the parties.

Section 20. Entire Agreement; Amendment.

This Agreement, including all exhibits hereto, constitutes the complete and exclusive expression of the understanding and agreement between the parties with respect to the subject matter hereof. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement. This Agreement may be amended or extended from time to time only by written agreement of the parties hereto.

Section 21. Time of the Essence.

Time is of the essence in the performance of the Services. The Consultant will perform its Services with due and reasonable diligence consistent with sound professional practices and shall devote such time to the performance of the Services as may be necessary for their timely completion.

Section 22. Written Notification.

Except as otherwise specified in this Agreement, any notice, demand, request, consent, approval or communications that either party desires or is required to give to the other party shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as follows. Either party may change its address by notifying the other party in writing of the change of address. Notice shall be deemed communicated within two business days from the time of mailing if mailed within the State of California as provided in this Section.

If to City: City of Colfax
 33 S. Main Street
 Colfax, CA 95713

If to Consultant: 49ER Water Services
 245 New York Ranch Road, Suite A
 Jackson, CA 95642

Section 23. Execution.

This Agreement may be executed in original counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one original counterpart is signed by both parties hereto. In proving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

Section 24. Successors.

This Agreement shall be binding on and inure to the benefit of the respective parties hereto except to the extent of any contrary provision in this Agreement.

Section 25. Attorney's Fees.

If any party to this Agreement commences legal proceedings to enforce any of its terms or to recover damages for its breach, the prevailing party shall be entitled to recover its reasonable attorney's fees, costs and the expenses of expert witnesses, including any such fees costs and expenses incurred on appeal.

IN WITNESS WHEREOF, the parties hereby have executed this Agreement on the day first above written:

CITY

CONSULTANT

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPROVED AS TO FORM:

City Attorney

EXHIBIT A

SCOPE OF WORK

To provide laboratory (and courier) services pursuant to current and future City of Colfax Waste Water Treatment Plant NPDES permits requirements.

- Provide sampling and monitoring services 7 days a week, 365 days a year.
- Provide ELAP certified contract laboratories for the few analyses that are not available in-house.
 - EPA 608/625/8270 to California Laboratory Services - ELAP 1233
 - EPA 1631 to Basic Laboratory - ELAP 1677
 - EPA 200.8 to Cranmer Engineering - ELAP 1936
- All laboratory analyses reports include QC containing Method Blanks, LCS/LCSD, MS/MSD and Duplicates per NELAP Standards.
- Provide all sample containers, labels, chain of custody's, and ice chests (if required) at no charge.
- Provide immediate phone/email notification if results are looking "abnormal" but prior to completion, i.e. when bacteriological samples go positive in the presumptive phase of testing.
- Provides electronic reports including .pdf, .csv, .xls or other formats.



245 New York Ranch Rd Ste A

Jackson, CA 95642

(530)277-2770

Laboratory Director: Shane Burr

QA/QC Manager: Anh Tran-Le

Lead Bioassay Analyst: Linda Gonzales

SECTION 1 - SCOPE OF WORK

To provide laboratory (and courier) services pursuant to current City of Colfax NDPES permits City of Colfax WWTP.

- 49er Water Services (and Laboratory) is open 7 days a week, 365 days a year.
- Our laboratory director and courier are located 10 miles from the City of Colfax WWTP and can provide courier service 7 days a week.
- We work closely with other ELAP certified contract laboratories for the few analyses we do not perform in house
 - EPA 608/625/8270 to California Laboratory Services – ELAP 1233
 - EPA 1631 to Basic Laboratory – ELAP 1677
 - EPA 200.8 to Cranmer Engineering - ELAP 1936
- All laboratory analyses reports include QC containing Method Blanks, LCS/LCSD, MS/MSD and Duplicates per NELAP Standards
- 49er Water Services provides all sample containers, labels, chain of custody's, and ice chests (if required) at no charge
- We provide immediate phone/email notification if results are looking "abnormal" but prior to completion, ie when bacteriological samples go positive in the presumptive phase of testing.
- Diamond Water Laboratory provides electronic reports including .pdf, .csv, .xls or other formats upon request.

Attachment 1 to Exhibit A: Lab Sampling Plan and Prices on following page

SECTION 3 - PROJECT TEAM**Laboratory Director – Shane Burr**

Shane Burr received a B.S. in Chemistry with concentrations in biochemistry and forensic chemistry from CSU Sacramento in 2004. He is the current Lab Director and President of 49er Water Services. His work history consists of Diamond Water Laboratory Director in 2010. In 2006 Diamond Water Laboratory was strictly a drinking water microbiological laboratory. Mr. Burr has expanded the lab into a full service laboratory capable of all wet chemistry, inorganic, organic and Whole Effluent Toxicity testing. Prior to his employment at Diamond Water Laboratory he was involved in research focused on the synthesis of a new class of HIV treatment drugs.

Lab Operations Manager – Anh Tran-Le

Le Tran received a B.S. in Biology minor Psychology from UC Irvine. A M.A. (MFT) in Psychology from CSU Sacramento and his PhD from San Francisco State University. His work history consists of Diamond Water Laboratory Operations Manager. He was hired as Operations Manager, overseeing Quality Control and Standard Operating Procedures in March 2011. He has worked on developing consistent and reliable quality control procedures to ensure the highest quality assurance and control standards are maintained. Prior to his time with Diamond Water Laboratory he served as Quality Management and Assurance for Catholic Healthcare West Medical Facility, as an independent contractor for B&C making sure of compliances with CCL, and as Service Coordinator for El Hogar, Inc. clinic.

Lead Technician and Bioassay Analyst – Linda Gonzales

Linda recently joined our laboratory but previously was a consultant with Diamond Water Laboratory. In March of 2015 she was instrumental in assisting Diamond Water Laboratory through the certification of Chronic and Acute Whole Effluent Toxicity testing. Prior to her employment with Diamond she was the lead Bioassay analyst at the former Sierra Foothill Laboratory for 14 years.

Your team would include:

Project Manager: Shane Burr, Laboratory Director 530-277-2770 (cell phone available 24/7)

QA/QC Manager and Operations: Le Tran, QA/QC Manager

Bioassay Consultant: Linda Gonzales, Lead Bioassay Analyst

City of Colfax Wastewater Treatment Facility NPDES Order R5-2013-0045

Attachment "B" Price Quote Form

Monitoring Location

Monitoring Location	Analysis	Composite/Grab	Frequency	#/year	Cost/unit	Cost/year	Contracted Lab	Analytical Method
Influent INF-001								
	Biological Oxygen Demand	C	Weekly	52	37	1924	49er	SM 5210
	Total Suspended Solids	C	Weekly	52	15	780	49er	SM 2540D
Effluent EFF-001								
	Biological Oxygen Demand	C	Weekly	52	37	1924	49er	SM 5210
	Total Suspended Solids	C	Weekly	52	15	780	49er	SM 2540D
	Ammonia Nitrogen, Total (as N)	G	Weekly	52	25	1300	Cranmer	SM 4500NH3-C
	Nitrate + Nitrite, Total (as N)	G	Weekly	52	18	936	Cranmer	EPA 300.0
	Settleable Solids	G	Weekly	52	15	780	49er	SM 2540E
	Dissolved Oxygen	G	3X Week	156	5	780	49er	SM 4500O
	pH	G	3X Week	156	5	780	49er	SM 4500H+
	Temperature	G	3X Week	156	0	0	49er	temp
	Total Coliform 15 Tube	G	3X Week	156	35	5460	49er	SM 9221C,E
	Arsenic	G	Monthly	12	15	180	Cranmer	EPA 200.8
	Electrical Conductivity @ 25 ^c	G	Monthly	12	15	180	49er	SM 2510B
	Hardness (CaCO ₃)	G	Monthly	12	15	180	49er	SM 3450C
	Total Dissolved Solids	G	Monthly	12	15	180	49er	SM 2540C
	*Priority Pollutants	C	Quarterly	4	1450	5800	multiple labs	multiple
	*Acute Toxicity	C	1st & 3rd Qtr	2	350	700	49er	EPA 4000
	*Chronic Toxicity (3 Species)	C	1st & 3rd Qtr	2	4000	8000	49er	EPA1000-1003
	*Standard Minerals	G	Annual	1	175	175	49er	multiple
Receiving Waters (RSW-001U)								
	Ammonia (as N)	G	Weekly	52	25	1300	cranmer	SM 4500NH3-C
	Dissolved Oxygen	G	Weekly	52	5	260	49er	SM 4500O
	Dissolved Oxygen % Saturation	G	Weekly	52	0	0	49er	SM 4500O
	Electrical Conductivity @ 25 ^c	G	Weekly	52	5	260	49er	SM 2510B
	Fecal Coliform (5 per Month)	G	Weekly	60	35	2100	49er	SM 9221 C,E
	Hardness, Total (CaCO ₃)	G	Weekly	52	15	780	49er	SM 2340C
	pH	G	Weekly	52	5	260	49er	SM 4500H+
	Temperature, Deg. Fahrenheit	G	Weekly	52	0	0	49er	temp
	Turbidity	G	Weekly	52	15	780	49er	SM 2130
	*Priority Pollutants	G	Quarterly	4	1450	5800	multiple labs	multiple

Receiving Waters (RSW-002D)

Ammonia (as N)	G	Weekly	52	25	1300	cranmer	SM 4500NH3-C
Dissolved Oxygen	G	Weekly	52	0	0	49er	SM 45000
Dissolved Oxygen % Saturation	G	Weekly	52	0	0	49er	SM 45000
Electrical Conductivity @ 25c	G	Weekly	52	5	260	49er	SM 2510B
Fecal Coliform (5 per Month)	G	Weekly	60	35	2100	49er	SM 9221 C,E
Hardness, Total (CaCO3)	G	Weekly	52	15	780	49er	SM 2340C
pH	G	Weekly	52	0	0	49er	SM 4500H+
Temperature, Deg. Fahrenheit	G	Weekly	52	0	0	49er	temp
Turbidity	G	Weekly	52	15	780	49er	SM 2130
*Priority Pollutants	G	Quarterly	4	1450	5800	multiple labs	multiple

Pond 1 (PND-001)

pH	G	Weekly	52	0	0	49er	SM 4500H+
Dissolved Oxygen	G	Weekly	52	0	0	49er	SM 45000

Pond 2 (PND-002)

pH	G	Weekly	52	0	0	49er	SM 4500H+
Dissolved Oxygen	G	Weekly	52	0	0	49er	SM 45000

Pond 3 (PND-003)

pH	G	Weekly	52	0	0	49er	SM 4500H+
Dissolved Oxygen	G	Weekly	52	0	0	49er	SM 45000

**Groundwater Monitoring Wells
(RGW-001, RGW-002, RGW-003)**

pH	G	Quarterly	4	5	20	49er	
Electrical Conductivity @ 25c	G	Quarterly	4	15	60	49er	
Nitrate Nitrogen, Total (as N)	G	Quarterly	4	18	72	cranmer	
Ammonia (NH ₄)	G	Quarterly	4	25	100	cranmer	
Standard Minerals	G	Quarterly	4	175	700	49er	
Depth to Groundwater	Calculated	Quarterly	4	0	0	49er	
Groundwater Elevation	Calculated	Quarterly	4	0	0	49er	
Gradient	Calculated	Quarterly	4	0	0	49er	
Gradient Direction	Calculated	Quarterly	4	0	0	49er	

Domestic Water Supply (SPL-001)							
	Total Dissolved Solids	G	Annual	1	15	15	49er
	Electrical Conductivity @ 25c	G	Annual	1	15	15	49er
	*Standard Minerals	G	Annual	1	175	175	49er
Biosolids (BIO-001)							
	*Percent Solids	G	Annual	1	15	15	49er
	*Title 22 Metals	G	Annual	1	125	125	cranmer
	*Priority Pollutants	G	Annual	1	785	785	CLS
Pesticide Study (One Year)							
	*Organochlorine Pesticides	G	Monthly	12	145	1740	CLS
Sample Pick-up	Courier/Sampler Service		3x Week	156	40	6240	49er
<p>*All analysis must be done pursuant to the NPDES Permit requirements. Read requirements carefully. Pollutants shall be analyzed using the analytical methods described in 40 CFR Part 136; Or by methods approved by the Central Valley Water Baoard or the State Water Board. Sample totals are estimates only as permit requirements may change.</p>							



1. Metals Individual Analytes - Table 1A

	Price	Turn Around Times			Subcontract Lab	
		Each	Extended	24 hour	48 hour	5 day
EPA 200.8 – Total	15	15	x3	x2	x1	Cranmer
EPA 200.8 - Dissolved	15	15	x3	x2	x1	Cranmer
EPA 200.7 - Total	15	15	x3	x2	x1	Cranmer
EPA 200.7 - Dissolved	15	15	x3	x2	x1	Cranmer
EPA 218.6 - Hexavalent Chromium	65	65	x3	x2	x1	Cranmer
EPA 200.8/Reaction - Selenium, Total/Dissolved	15	15	x3	x2	x1	Cranmer
EPA 200.8 - Acid Soluble Aluminum	15	15	x3	x2	x1	Cranmer

2. Metals Sample Preparation per Sample

Digestion	0	0	x3	x2	x1	Cranmer
Filtering	0	0	x3	x2	x1	Cranmer
Compositing	0	0	x3	x2	x1	Cranmer

3. Mercury and Methyl Mercury

EPA 245.1 - Total Mercury, Low Level	40	40	x3	x2	x1	Cranmer
EPA 1631 - Total Mercury, Trace Level	105	105	x3	x2	x1	Basic
EPA 1630 - Methyl Mercury, Trace Level	245	245	x3	x2	x1	Basic

4. Metals Packages

a. Al + PPMetals by EPA 200.8 (Without Hg)	185	185	x3	x2	x1	Cranmer
b. Al + PPMetals by EPA 200.8 (With Hg by 1631)	290	290	x3	x2	x1	Basic
c. Al + PPMetals by EPA 200.8 (With Hg by 245.1)	205	205	x3	x2	x1	Cranmer
d. Al, Bo, Fe, Na, Mn by EPA 200.6/200.7	75	75	x3	x2	x1	Cranmer
e. Title 22 Heavy Metals - CAM 17 Metals with Hg (EPA)	150	150	x3	x2	x1	Cranmer
f. Title 22 Heavy Metals - CAM 17 Metals with Trace	255	255	x3	x2	x1	Basic



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	255	255	x3	x2	x1	Basic
Mercury (EPA 200.8 and EPA 1631)						
g. 5-10 Metals by EPA 200.8	15 each	15 each	x3	x2	x1	Cranmer
h. 10-20 Metals by EPA 200.8	15 each	15 each	x3	x2	x1	Cranmer
i. Full Metals Scan (EPA 200.8/EPA 200.7) - please submit supplemental sheet of parameters that are included in this package.	185	185	x3	x2	x1	Cranmer

**5. General Chemistry (Non-Metals) -
 Table 1B**

Alkalinity as CaCO3 (all types)	20	20	x3	x2	x1	49er
Ammonia as N with Distillation	25	25	x3	x2	x1	Cranmer
TKN as N	40	40	x3	x2	x1	Cranmer
Nitrate as N	18	18	x3	x2	x1	Cranmer
Nitrite as N	18	18	x3	x2	x1	Cranmer
Chloride	18	18	x3	x2	x1	Cranmer
Sulfate	18	18	x3	x2	x1	Cranmer
Surfactants (MBAS)	40	40	x3	x2	x1	Cranmer
Hardness as CaCO3	20	20	x3	x2	x1	49er
Hardness by Calculation	20	20	x3	x2	x1	Cranmer
	60					
Oil and Grease by 1684		0	x3	x2	x1	Cranmer
Phosphorus, as Total Phosphate	28	28	x3	x2	x1	Cranmer
Cyanide, Total	65	65	x3	x2	x1	Cranmer
BOD - 5Day	37	37	x3	x2	x1	49er
Total Solids	15	15	x3	x2	x1	49er
Total Dissolved Solids	15	15	x3	x2	x1	49er
Total Suspended Solids	15	15	x3	x2	x1	49er
Specific Conductivity	15	15	x3	x2	x1	49er

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COD	35	35	x3	x2	x1	Cranmer
Turbidity	15	15	x3	x2	x1	49er
Total Organic Carbon (TOC)	35	35	x3	x2	x1	CLS
Dissolved Organic Carbon (DOC)	35	35	x3	x2	x1	CLS

6. General Chemistry Packages

a. General Mineral Package - includes total anion, total cation and ion-balance. Please submit supplemental sheet for parameters that are included in this package.	0	0	x3	x2	x1	Cranmer
	0	0	x3	x2	x1	49er

b. Nutrient Package - Ammonia as N, TKN, total organic nitrogen (TON), nitrate as N, nitrite as N and Total Phosphorus	75	75	x3	x2	x1	Cranmer
	75	75	x3	x2	x1	Cranmer
	28	28	x3	x2	x1	Cranmer
c. General Anion - fluoride, chloride, sulfate, nitrate as N, nitrite as N, orthophosphate. Please provide list of method(s) for each anion.	15 each	15 each	x3	x2	x1	Cranmer
	45	45	x3	x2	x1	Cranmer

Dioxins/Furans

DXN/FRN - EPA 1613 (2,3,7,8 TCDD only)	525	525	x3	x2	x1	Frontier
DXN/FRN - EPA 1613 (all 17 congeners with TEQ calculation)	1780	1780	x3	x2	x1	Frontier

8. Organics - Tables 1C, 1D, 1E

EPA 608 - OC Pesticides with PCBs	0	0	x3	x2	x1	CLS
EPA 624 - VOCs (full list)	155	155	x3	x2	x1	CLS
EPA 624.THM - (Trihalomethanes only), includes Bromodichloromethane, bromoform, chloroform and dibromochloromethane	80	80	x3	x2	x1	CLS
	80	80	x3	x2	x1	CLS
EPA 825 - SVOCs (full list) with PAHs	295	295	x3	x2	x1	CLS

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 Jackson, CA 95642

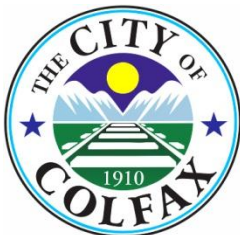
EPA 610 - PAHs only	155	155	x3	x2	x1	CLS
EPA 625 - SVOCs (full list, withou PAHs)	295	295	x3	x2	x1	CLS
EPA 625 Bis - Phthalate Esters (6 compounds)	255	255	x3	x2	x1	CLS

Microbiological Tests

Total & Fecal Coliforms - 10 Tube, MPN	35	35	x3	x2	x1	49er
Total Collforms - 15 Tube, MPN	35	35	x3	x2	x1	49er

Miscellaneous Tests

Asbestos	200	200	x3	x2	x1	EMSL
EPA 1666 / 524.2 (No DI compounds)	155	155	x3	x2	x1	CLS



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE NOVEMBER 8, 2017 COUNCIL MEETING

FROM: Wes Heathcock, Interim City Manager
PREPARED BY: Lorraine Cassidy, City Clerk
DATE: November 3, 2017
SUBJECT: Employee Benefit Offering – Flexible Spending Accounts

<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT: <\$1,200	FROM FUNDS: As per staffing allocations
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RECOMMENDED ACTION: Adopt Resolution 53-2017 authorizing the Interim City Manager to execute an agreement with Basic Pacific to administer Flexible Spending Accounts on the behalf of City Employees.

DISCUSSION AND SUMMARY:

In November 2016, the City Council authorized implementing health benefits for represented and non-represented employees. A benefits package is a key element to recruit and retain qualified staff. In order to enhance the current package available to employees, staff is recommending Council consider adding the option for employees to participate in a Flexible Spending Account (FSA) program. This would be an offering to employees for a tax-free benefit plan to pay for certain medical or dependent care expenses with pre-tax payroll deductions. This reduces the employee and employer tax obligation because the FSA deductions reduce taxable income.

We are recommending implementing Two FSA's accounts:

1. **Dependent Care Assistance Plan.** Employees may elect to set aside funds tax-free to cover eligible expenses for child and dependent care. Annual contribution limits for a Dependent Care FSA is \$5,000. Employees may request reimbursement for expenses as they are incurred up to the value set aside in their fund. Employees are required to use the money in their account within the plan year (employer may offer grace period) – any unused funds at the end of the plan year default to the Plan Employer.

2. **Medical Savings Account.** Employees may elect to set aside funds tax-free to cover eligible medical expenses not covered by health insurance. Annual contribution limits are set by the employer but cannot exceed IRS maximum (\$2,600 for 2017). Employee's full annual contribution is available on day one and funds can be withdrawn for qualified expenditures even if they have not yet placed funds in the account. Employees are required to use the money in their account within the plan year (employer may offer grace period) – any unused funds at the end of the plan year default to the Plan Employer. In the unlikely event that an employee leaves employment before the end of the year and has already spent some or all

of the funds before termination, the City would be responsible for that portion of the account that has not been deducted from payroll. To minimize this potential risk, the Finance Director has recommended the City establish a \$2,000 limit for the Medical FSA's.

Burnham Benefits is currently the third party administrator to the City for Dental and Vision insurances. Burnham has provided stellar service to the City for these benefits and has recommended Basic Pacific to administer the FSA accounts under their umbrella. Basic Pacific offers both Dependent Care and Medical FSA programs for a nominal fee – cost to the City would be under \$100 for administration (depends on employee participation).

Open Enrollment for the 2018 year for insurance benefits begins soon and staff would like to include Flexible Spending Accounts as part of the benefit package.

FINANCIAL IMPLICATIONS:

Flexible spending accounts are a benefit to the employee and the employer in reduced payroll taxes

There is an inherent risk for employees and they must make annual elections prior to beginning of the plan year and any changes are only allowed for qualified Family Status changes. Therefore, employees must plan very carefully to be able to not default set-aside funds.

The risk to the employer is for the Medical Savings account only and is only if an employee terminates prior to contributing amounts for any reimbursed expenses. This risk is minimized by capping the annual contribution. It is also anticipated that the employer tax savings will offset this risk potential in addition to offsetting the administrative costs of the plan.

ATTACHMENTS:

- 1) Resolution 53-2017
- 2) Basic Pacific Employee Summaries
- 3) Basic Pacific Proposal

City of Colfax

City Council

Resolution № 53-2017

AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE AN AGREEMENT WITH BASIC PACIFIC TO ADMINISTER FLEXIBLE SPENDING ACCOUNTS ON BEHALF OF CITY EMPLOYEES.

WHEREAS, an employee benefit package is a key element for recruiting and retaining qualified staff; and,

WHEREAS, adding the option for employees to participate in a Flexible Spending Account (FSA) program would enhance the benefit package for employees; and,

WHEREAS, Basic Pacific offers its services at a nominal fee which would likely be offset by reduced payroll tax expenses, and;

WHEREAS, the City Council has determined offering an FSA program to employees would be in the best interest of the City.

NOW THEREFORE, BE IT RESOLVED the City Council of the City of Colfax authorizes the Interim City Manager to enter into an agreement with Pacific Basic to administer Flexible Spending Accounts for City employees.

THE FOREGOING RESOLUTION WAS DULY PASSED AND REGULARLY ADOPTED at the Regular Meeting of the City Council of the City of Colfax held on the 8th day of November, 2017 by the following vote of the Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

Stephen L. Harvey, Mayor

ATTEST:

Lorraine Cassidy, City Clerk

DEPENDENT CARE SPENDING ACCOUNT (DCFSA)

WHAT IS THE MAXIMUM I CAN ELECT?

The maximum you can elect is **\$5,000**.

The maximum tax exclusion permitted during a 12-month calendar year is \$5,000 per individual taxpayer or married couple filing a joint tax return. The maximum amount permitted could be reduced under the following circumstances: (1) If you are married and file a separate tax return, the maximum you may elect is \$2,500; (2) If your spouse earns less than \$5,000, you may not elect more than your spouse earns during the Plan Year; (3) If your spouse is a full-time student or incapable of self-care, the maximum you may elect is \$3,000 for one child in day care or \$5,000 if you have two or more children in day care.

CAN I BE REIMBURSED MORE THAN I'VE HAD DEDUCTED FROM MY PAYCHECK?

At no time can you be reimbursed more than you have actually contributed to your account through payroll deduction.

HOW DO I USE THE DEPENDENT CARE FSA?

The Dependent Care FSA allows you to be reimbursed for custodial or day care expenses for children that are your federal tax dependents under age 13, or for a disabled adult federal tax dependent that lives with you, so that you and your spouse (if applicable) can work, attend school or actively look for work.

Your daycare provider may not be your dependent or child under the age of 19.

Only the Custodial Parent is eligible to participate in the Dependent Care FSA. In the case of divorce, the Custodial Parent is the parent with whom the child lives for MORE THAN 50% of the year. Only one parent can qualify as the Custodial Parent.

QUALIFIED DAYCARE EXPENSES INCLUDE:

- Actual reportable ("above the table") daycare expenses incurred during the plan year (separate fees for services such as transportation, meals, classes, lessons, trips or supplies are not reimbursable unless the charges are included as part of your base fee – not itemized.)
- Day camps, including day camps that focus on specific activities such as sports and arts (overnight camps are excluded even if the camp apportions the day camp and overnight charges.)
- Educational (tuition) charges for kindergarten and over are NOT eligible for reimbursement.
- The maximum amount you may elect is reduced for couples that file separate returns, when one spouse is a student or when a spouse earns little or no income.
- Determine your election amount for the entire plan year. Do NOT elect more than your actual expenses. Your annual election is then deducted pre-tax from your pay in equal installments throughout the plan year.

WHAT IF THE AMOUNT OF MY DAYCARE EXPENSE CHANGES DURING THE YEAR?

In most cases, if you experience a change of status, or the cost for care changes during the plan year, you may be permitted to adjust your election. However, there are significant restrictions. Therefore, you need to choose your election wisely because you will not be permitted to change your election simply because you

elect too much, make a mistake, or even if you just decide to change to a less expensive provider. In any event, you must notify your employer within 30 days of the event that is causing the change. Please refer to your SPD for additional details.

WHICH IS BETTER, THE DEPENDENT CARE FSA OR THE FEDERAL TAX CREDIT?

Generally, the FSA is much better but it depends on a combination of your income, whether you have one or two children in care, and how much you pay for care. The credit is calculated as a percentage of your day care expense. The percentage that you receive depends on your Adjusted Gross Income (AGI). Use the following chart to locate your percentage. To determine the value of your credit, multiply your percentage by the LESSER of the amount you pay for day care or \$3,000 if you have one child in care or \$6,000 if you have two or more children in care.

For example, if your AGI is \$60,000 and you spend \$5,000 for the care of one child, your credit will be \$600 (20% of \$3,000). Conversely, if you use the FSA, you could expect to save as much as \$2,000 in taxes on the same \$5,000 expense. This is why most families choose to participate in the Dependent Care FSA.

For additional information on your estimated federal tax credit based on your AGI please review [IRS Publication 503, Child and Dependent Care Expenses](#).

WHAT IS THE LAST DATE I CAN SUBMIT DEPENDENT CARE FSA CLAIMS FOR THE PLAN YEAR?

If you are an active participant on the last day of the plan year, you are allowed an additional time to submit reimbursement requests of expenses incurred throughout the plan year. This extended time period is referred to as the claim run out (or final claim filing period). Your final filing date is posted online for each benefit you are enrolled in. Please keep in mind that any unused amount left in your account following the final filing date is forfeited at the end of the plan year. This rule is commonly known as “use it or lose it.”

WHAT HAPPENS IF MY EMPLOYMENT TERMINATES OR I LOSE ELIGIBILITY TO PARTICIPATE IN THE PLAN(S)?

For most plans, benefits will not be payable for services rendered after the day on which you lost your eligibility to participate. (Refer to your SPD for specific details and full plan information.)

BASIC pacific must receive your Dependent Care FSA claims for reimbursement no later than the designated final filing date for expenses that were incurred prior to the date your participation ended. Note the final filing period for terminated employees may be limited so submit any qualifying expenses right away should loss of coverage occur midyear.

If you have individual questions prior to enrollment, you may contact **BASIC pacific** directly for assistance.

EMAIL

CUSTOMERSERVICE@BASICPACIFIC.COM

WEBSITE

BASICPACIFIC.COM

PHONE

(916) 303-7090
(800) 574-5448

FAX

(916) 303-7083
(800) 584-4591

MAILING ADDRESS

PO BOX 2170
ROCKLIN, CA 95677



PRE-TAX BENEFIT PLAN

Your employer offers tax-free benefit plan(s) that provide you with ways to save up to thousands of dollars per year by offering the option to pay for certain types of expenses with pre-tax payroll deductions. If you choose to participate, you will reduce your taxable income which ultimately results in you having more money to spend!

For more details about the plan, please refer to your Summary Plan Description (SPD).

MEDICAL FLEXIBLE SPENDING ACCOUNT (FSA)

WHAT IS THE MAXIMUM I CAN ELECT?

The maximum you may elect is released annually by the IRS. The current maximum is **\$2,600**.

HOW DO I USE THE MEDICAL FSA?

The Medical Expense FSA allows you to set aside tax-free dollars that will reimburse you for “qualified” medical, dental and vision expenses “incurred” during the plan year. “Incurred” means the service must be performed during the plan year. “Qualified” expenses include most medically necessary (meaning not cosmetic) out-of-pocket medical, dental, and vision related expenses. Insurance premiums of any kind, including Medicare, individual health insurance, long-term care, warranties, or membership fees that are not directly related to care are not eligible for reimbursement through the Medical FSA.

IRS Publication 502 offers helpful information as a guide to what qualifies as a medical expense. Please be advised Publication 502 addresses all expenses that can be deducted on your individual tax return, not just the expenses that are eligible for reimbursement through a Medical FSA.

IRS Publication 969 is another good source of information for medical FSAs.

FOLLOWING IS A SAMPLE OF PERMITTED EXPENSES:

ACUPUNCTURE	LABORATORY FEES
ALLERGY TREATMENTS	LASER EYE SURGERY
CHIROPRACTIC	MEDICAL MILEAGE
CONTACT LENSES & SUPPLIES	ORTHODONTIA (CHILD & ADULT)
DENTAL (NO TEETH WHITENING)	OVER-THE-COUNTER MEDICAL ITEMS & SUPPLIES (RESTRICTIONS MAY APPLY)
DOCTOR OFFICE VISITS & EXAMS	PRESCRIPTIONS (MEDICALLY NECESSARY)
GLASSES (PRESCRIPTION)	PSYCHIATRIC CARE
HEARING AIDS	STERILIZATION
HOSPITAL SERVICES & SURGERY	THERAPY (NO MARRIAGE/FAMILY COUNSELING)
INSULIN & INSULIN SUPPLIES	VACCINES (INCLUDING FLU SHOTS)
INSURANCE CO-PAYS & DEDUCTIBLES	VISION EXAMS

CAN I BE REIMBURSED THROUGH AN FSA FOR HEALTH EXPENSES INCURRED BY MY FAMILY MEMBERS?

Yes! You may save taxes on all qualified medical expenses incurred by you, your spouse, and your dependent children. You may NOT be reimbursed for expenses incurred by a domestic partner unless your domestic partner is your federal tax dependent. Your plan also allows reimbursement for qualified expenses that you incur for an eligible adult child up to age 26.

WHAT IS THE LAST DATE I CAN SUBMIT FSA CLAIMS FOR THE PLAN YEAR?

If you are an active participant on the last day of the plan year, you are allowed an additional time to submit reimbursement requests of expenses incurred throughout the plan year. This extended time period is referred to as the claim run out (or final claim filing period). Your final filing date is posted online for each benefit you are enrolled in. Please keep in mind that any unused amount left in your account following the final filing date is forfeited at the end of the plan year. This rule is commonly known as “use it or lose it.”

FSA DEBIT CARD?

For plans that offer a debit card, new participants will receive two debit cards at no cost. You may provide the second debit card to your spouse or adult dependent, or keep the second card as an alternate card to use, just in case.

If you order additional cards or replacements for lost/stolen cards, a small fee may be required. Replacement cards can be requested online.

DO NOT throw away your debit cards after you exhaust your account(s). The debit cards are valid for up to 3 years at a time and are reloadable. If you throw away your debit card before it expires, a fee will be charged when you order a new card.

Your debit card can be used to pay for qualified services at providers that accept VISA or by using your PIN (Personal Identification Number). To obtain a personal PIN for your debit card, call 1-866-898-9795 and the automated system will walk you through the process.

HOW DO I ENROLL IN THE FSA PLAN?

The appropriate enrollment instructions and/or forms are included or may be provided to you separately by your employer, if applicable. Be sure to elect prior to the close of your designated enrollment period.

CAN I PARTICIPATE IN A FSA AND HSA (HEALTH SAVINGS ACCOUNT) AT THE SAME TIME?

If you participate in the Medical FSA, neither you nor your spouse (if applicable) is permitted to make contributions to a HSA at any time during the plan year. However, if your Flexible Benefit Plan offers a special Limited Use FSA (this is a FSA that will only reimburse dental and vision related expenses) you may elect to participate in the Limited Use FSA and your HSA or your spouse's HSA at the same time.

CAN I BE REIMBURSED MORE THAN I'VE HAD DEDUCTED FROM MY PAYCHECK?

The Medical FSA account is pre-funded, meaning your entire annual election amount is available for reimbursement at any time during the plan year, regardless of the amount you have contributed from your paycheck.

WHAT HAPPENS IF MY EMPLOYMENT TERMINATES OR I LOSE ELIGIBILITY TO PARTICIPATE IN THE PLAN(S)?

Medical FSA: For most plans, benefits will not be payable for services rendered after the day on which you lost your eligibility to participate. (Refer to your SPD for specific details and information about COBRA for the Medical FSA, if it is available).

BASIC pacific must receive your Medical FSA claims for reimbursement no later than the designated final filing date for expenses that were incurred prior to the date your participation ended. Note the final filing period for terminated employees may be limited so submit any qualifying expenses right away should loss of coverage occur midyear.

HOW DO I DETERMINE HOW MUCH MY FAMILY WILL SPEND ON HEALTH SERVICES?

The worksheet on the following page will help you calculate how much your entire family will spend on medical services during the course of the plan year.

- Only include services or expenses you will incur during the plan year based on the date of service (not the date you pay for a service).
- While determining the amount you would like to contribute on an annual basis, please keep in mind that any unused amount left in your account is forfeited at the end of the plan year. This rule is commonly known as “use it or lose it.”

DO NOT include expenses for the following services:

- “Boutique” Medical Access Fees (Membership fees paid for access to a particular doctor)
- Capital expenses (including operating & maintenance costs)
- Cosmetic services
- Electrolysis
- Expenses for your general health
- Expenses paid by another plan
- Food (of any type)
- Health club membership dues
- Insurance premiums
- Massage & massage therapy (unless prescribed to treat a specific medical condition)
- Marriage & family counseling
- Vitamins, supplements & herbal remedies (unless prescribed by a physician)
- OTC Drugs & Medicines (without a written prescription)

If you have individual questions prior to enrollment, you may contact **BASIC pacific** directly for assistance.

EMAIL

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MAILING ADDRESS

PO BOX 2170
ROCKLIN, CA 95677

ANNUAL HEALTH EXPENSE CALCULATOR WORKSHEET

OFFICE VISITS & CO-PAYMENTS

MEDICAL OFFICE VISITS	\$
ACUPUNCTURE OFFICE VISITS	\$
CHIROPRACTIC OFFICE VISITS	\$
THERAPY (NO MARRIAGE OR FAMILY COUNSELING)	\$
HOMEOPATHIC OFFICE VISITS	\$

PRESCRIPTION DRUGS (LEGAL)

ALLERGY TREATMENTS	\$
BIRTH CONTROL PILLS	\$
OTHER PRESCRIPTION DRUGS	\$

VISION EXPENSES

EYE EXAMS	\$
CONTACT LENSES AND SUPPLIES	\$
PRESCRIPTION EYEGASSES	\$
PRESCRIPTION SUNGLASSES	\$
LASER EYE SURGERY	\$

DENTAL EXPENSES

DEDUCTIBLES	\$
EXAMINATIONS	\$
TEETH CLEANING	\$
CROWNS, BRIDGES, ROOT CANALS	\$
ORTHODONTIA	\$

OVER-THE-COUNTER MEDICAL SUPPLIES

BAND AIDS, FIRST AID KITS, ETC.	\$
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OTHER EXPENSES

IN VITRO FERTILIZATION	\$
INSULIN AND INSULIN SUPPLIES	\$
PSYCHIATRIC CARE	\$
MEDICAL MILEAGE	\$

TOTAL	\$
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OVER-THE-COUNTER (OTC) DRUGS, MEDICINES, AND SUPPLIES

Saving taxes on your OTC drugs, medicine, and medical supply purchases is a great way to maximize the benefits of your Medical FSA. However, your OTC purchases may have some restrictions. OTC drugs and medicines require a prescription from a physician to be reimbursed through your Medical FSA. However, there are still 27,000 OTC medical products and supplies that can be reimbursed through your Medical FSA without requiring a prescription. The following is a sample list of OTC medical products that may be reimbursed through your Medical FSA.

NO PRESCRIPTION REQUIRED	PRESCRIPTION REQUIRED	NEVER ELIGIBLE
Alcohol Wipes Band Aids Blood Pressure Monitor Braces & Supports Breathe Right Strips Canes Catheters Colostomy Products Contact Lens Supplies & Solution Contraceptives Defibrillators Denture Adhesives First Aid Kits Glucose Meters Home Screening Tests (Cancer, Cholesterol, Fertility, Hepatitis C, HIV, Pregnancy, Prostate, Thyroid) Hot & Cold Packs Insulin & Diabetic Supplies Liquid Adhesive Medicated Bandages Reading Glasses Sleeping/Snoring Appliances Wheelchairs & Walkers	Acne Medications Anti-Inflammatory Treatments Anti-Itch Treatments Antifungal Treatments Antiseptics & Topical Antibiotics Allergy, Cold, Flu, and Cough Medications Asthma Medications Birth Control Bunion/Blister Treatments Cold Sore & Fever Blister Medications Corn & Callus Removal Medications Diaper Rash Ointment Digestion/Gas Aids Ear Drops Eye Drops Hydrogen Peroxide, Iodine Laxatives Lice Control Motion Sickness Tablets Nasal Sprays, Drops & Strips Nicotine Gum or Patches Oral Pain Remedies Pain Relievers Sinus Medications Sleeping Medicines Throat Pain Remedies Wart Removal Medications *Herbs *Herbal Remedies *Minerals *Other Natural Remedies *Supplements *Vitamins	Aromatherapy products Baby bottles, cups, oil, wipes Cosmetics Cotton swabs or pads Deodorants and antiperspirants Diapers Facial care Feminine care Food (of any type) Fragrances Hair re-growth Dietary foods Oral care (e.g. Sonicare) Shampoo and conditioner Skin care Spa salts Sun tanning products Toothbrushes

* = Requires a Letter of Medical Necessity from your Doctor



Service. Experience. Technology. Value.

Cafeteria Plan Services

Prepared for

City of Colfax

Discounted Fee Package

Conditions apply to receive this pricing (see page 13)

About BASIC pacific

BASIC pacific (formerly Custom Benefit Administrators) is a Division of BASIC. BASIC pacific offers flexible benefit plan, HSA, HRA, POP Commuter and COBRA administration for more than 1,000 employers with 5 to 9,000 employees. Our goal is to relieve you and your staff from the increasingly complex regulatory requirements and time associated with the management of these benefits. How do we achieve this goal? Our staff is industry trained and tested. Our systems are state of the art. But most importantly, we listen to our clients and provide appropriate, cost effective solutions.

Our staff of 28 in California has more than 100 years of combined experience. Robert Hayes, Executive Vice President and Board Member has specialized in employee benefits administration and consulting since 1984.

BASIC proper has more than 140 all US based employees located in 10 locations throughout the country. We serve more 10,000 clients in almost every state in the union.

Our mission is simple: To provide the highest quality service, utilizing the most effective technology available, all at a great price. To achieve our goal we work closely with your representatives to develop first class services that fit the specific needs of your organization. With an experienced staff of career oriented people and state of the art systems, no other administrator can match our unique combination of service, technology and price.

Services offered by BASIC pacific

- 👍 *Federal COBRA Administration*
- 👍 *Flexible Benefit Plan (FBP) Administration*
- 👍 *Health Reimbursement Arrangements (HRA) Administration*
- 👍 *Health Savings Accounts (HSA) Administration*
- 👍 *Premium Only Plan (POP) Administration*
- 👍 *Parking, Mass Transit and Van Pooling Plan Administration*
- 👍 *Retiree/Leave Billing Services*
- 👍 *FMLA/Leave Administration*
- 👍 *ACA Reporting*

Why Your Organization Should Choose BASIC pacific

- 👍 We understand that we are first and foremost a “service” organization.
- 👍 We support you with state of the art systems and great people.
- 👍 We tailor our services to fit the specific needs and desires of your organization.
- 👍 We provide our services at very competitive rates.
- 👍 We DO NOT require that you purchase insurance. With BASIC pacific, your COBRA and flexible benefit plan administration remains consistent (and in compliance) regardless of which companies provide your insurance.

FLEXIBLE BENEFIT PLAN OVERVIEW -

Implementing a flexible benefit plan (FBP) can save you and your employees thousands of dollars in taxes every year. In other words, if you do not offer a FBP, you are volunteering to **over-pay** taxes!

Most plans include:

- Premium Only Plan (POP)
- Medical Flexible Spending Account (Health FSA)
- Dependent Care Assistance Plan (DCAP)

Employees may participate in one or all of the benefits available. They may also choose the amounts they wish to contribute to each benefit. This freedom of choice is the reason these plans are often referred to as "cafeteria plans".

The primary benefit of a flexible benefit plan is that it lowers taxable income by eliminating taxes on money that is already being spent! When expenses are redirected through the plan, **less tax is paid**. The result is more money to spend!

For example, if an employee earning \$18,000 redirects \$1,200 of expenses through the plan, their "taxable" income will be reduced to \$16,800 (their W-2 will show \$16,800 of taxable income). This is why employees NEVER have to pay taxes on money that is redirected through a flexible benefit plan. The key is, the flexible benefit plan does not require employees to spend money; rather, it provides the opportunity to eliminate taxes on expenses the employees are already paying! The following graph illustrates how employees save taxes:

<u>Before FLEX</u>	<u>Monthly income</u>	<u>After FLEX</u>
\$1,500.00	Pre-tax insurance deduction	\$1,500.00
Not Available	Federal income tax	\$100.00 ←
\$115.00	State income tax	\$97.00
\$25.00	FICA tax	\$20.00
\$115.00	SDI tax	\$107.00
\$15.00	After-tax insurance deduction	Deducted Above
← \$100.00	Monthly take-home pay	\$1,162.00
\$1,130.00	Monthly Savings	\$32.00
	Annual Savings	\$384.00

The plan increases this employee's "take-home" pay by \$384.00 every year just by eliminating taxes on their \$100 monthly health insurance contribution!

A flexible benefit plan provides a great way to save on taxes, but there are rules and restrictions you need to understand. That's where we come in. BASIC pacific can answer all your questions, implement and manage a plan that works for you and your employees.

BASIC pacific --

We are here to help you make the right decisions.

INCLUDED ADMINISTRATION SERVICES

At BASIC pacific, we understand that we are first and foremost a service organization. All the technology in the world will not do you any good if your employees are not happy. That is why every decision we make begins with the question “how will this improve our service?” Following are just a few of the standard services that come with every plan we administer.

Standard services for your employees –

- ❑ **“Welcome” packets** – Upon enrollment, each participant receives our welcome packet. The packet includes an election confirmation, claim filing instructions, claim form, direct deposit authorization and information about how to use our web site and mobile apps.
- ❑ **Online account information** – Participants can access their account information 24/7 on our secure web site. Information provided includes elections, contributions, claims paid, and claims pending. Participants can change their personal information, apply to change an election, or contact BASIC pacific for assistance.
- ❑ **Mobile App** – With our mobile app, participants can access account information, set up customized text messaging and file claims using their iOS or Android device. The apps are free and easy to set-up.
- ❑ **Toll-free customer service** – Even with our self-service features, participants often need to speak with a real person. Calling our staff on our dedicated toll-free number is a convenient and pleasant experience for participants. We designed our call service so participants will not have to wait through a frustrating auto-attendant directory. In fact, most calls are answered by a trained staff member within 3 rings. If all representatives are helping other clients, participants can leave a detailed message and expect a call back within an hour. Our live customer service hours are 8:30 AM to 4:30 PM pacific.
- ❑ **E-mail customer service** – Participants and HR staff can email us directly or through our portal. In almost all cases, a representative will respond within 1 hour. Our live email customer service hours are 8:30 AM to 4:30 PM pacific.
- ❑ **Submitting claims for Reimbursement** – We provide five convenient ways for participants to submit manual (non-debit card): mail, fax, e-mail, web portal or mobile app. If a participant needs a claim form, they can download it from the web portal or contact our customer service staff.
- ❑ **Paying claims** – For participants, there is nothing more important than receiving their reimbursements when expected. Following are just a few of the features that distinguish BASIC pacific from our competition:
 - We pay claims every Wednesday and Friday. Participants know when to expect their payment!
 - The claim “cut-off” is noon the previous day. Participants do not have to wait multiple days or even weeks to be paid.
 - Contributions are credited ON payday, eliminating the lag before funds are available for use.
 - Participants are reimbursed by direct deposit to their personal bank account.
 - Participants receive an email notification when reimbursements are sent to their bank.
 - Participants can view the status of their claims online or by using our mobile app.
 - Orthodontia and other “recurring” expenses can be setup to pay participants automatically each month without the need to submit claims repeatedly.

- ❑ **2.5 Month Grace Period** – BASIC pacific offers the 2.5 Month Grace Period as a no cost option. Employers may add the Grace Period on any plan anniversary.
- ❑ **\$500 Health FSA Carry-Over** – BASIC pacific offers the \$500 Health FSA carry-over as a no cost option. The employer must choose between the \$500 Carry-Over and 2 ½ Month Grace Period. They cannot be offered concurrently. The \$500 Carry-Over (and 2.5 Month Grace Period) also applies to a Limited Purpose Health FSA (if offered by the employer).
- ❑ **Debit Cards** – While not required to be offered by the employer, debit cards are a popular feature among employees. Our debit card is one of the most advanced & convenient cards on the market. Following are just a few of the features we offer:
 - On average, employers who offer the card will see a 25% increase in participation. In addition, the average size of the elections will increase by 28% on average. Overall, offering the debit card translates into happier participants and more tax savings for employers.
 - Over 80% of debit card transactions can be “auto-adjudicated” (auto-approved). This means BASIC pacific does not require supporting documentation for four out of every five debit card transactions.
 - Our debit card is fully IIAS compliant (Inventory Identification Approval System).
 - Debit card transactions are instantaneously reflected in the system, which safeguards the plan against overpaying claims due to delayed posting.
 - Our debit card can be used for any account, or any combination of accounts, including the Health FSA, Limited Purpose Health FSA, DCAP, Parking, Transit, HRA and HSA.
 - Our debit card is fully integrated with the 2 ½ Month Grace Period and \$500 Carry-Over.
 - Our debit card is an optional feature. Employers are not required to offer the debit card. And, even when they are offered, participants are not required to use them.
 - Our debit card charges are included in our base fee. Each participant will receive two debit cards at no additional cost.
- ❑ **Quarterly Participant Statements** – BASIC pacific will send a Quarterly Account Statement (i.e. a notice that the statement is available online) to each Spending Account participant that has an email address on file. Participants that do not maintain an email address will receive a semi-annual statement by mail.
- ❑ **HSA Investment Accounts (this feature applies to HSA account services exclusively)** – Participants in the BASIC pacific HSA may choose to invest their account balance (over \$2,000) in a broad array of high quality mutual funds. The investment fund management platform is fully integrated on our web portal. The investment portal offers virtually unlimited information and investment flexibility, including manual and automatic rebalancing. Other than the standard management fees charged by the mutual funds themselves, there are no additional charges for the investment accounts. They are included as part of our standard HSA service.
- ❑ **COBRA For Medical Expense FSA Accounts** - Many employers are unaware that Health FSA’s fall under Federal COBRA. While we recommend employer use a single source to administer all their Federal COBRA requirements, we will provide COBRA administration for your Health FSA at no additional charge.

**Unsolicited email received from Participant - April 18, 2014**

Just a word of thanks...

In my total experience of anything related to insurance, I have always had to work too hard to find the right person to talk to, and I have never really had the feeling that I was a customer.

The exception to this seems to be BASIC pacific. In every interaction with BASIC pacific, I have always felt as though I was talking with the right person, they knew who I was, they understood and knew what I needed, they knew the solution to my problem, and they were able to more than adequately describe what I needed to do and how to do it.

Thank you and keep up the good work.

Best regards from a satisfied customer,

Phil Swab

Unsolicited email received December 5, 2012:

Just a quick note to let you know how much I appreciate dealing with BASIC pacific during this busy time of year. You consistently put your clients first. I always receive first class service. It is rare that I wait more than a few hours (often much less) for a response to my emails. If I run into an issue or problem, it is immediately fixed or an explanation is given to me as to why it is the way it is!

I especially want to single out **Karen Row** for her help the past few weeks. She is just terrific. Responsive and knowledgeable. If only all the representatives at the various benefit providers we deal with were as easy to deal with!

Thanks so much to ALL of you at BASIC pacific. If I don't get a chance to say it again - Happy Holidays and I'm looking forward to working again with you in 2013.

Monica Forsberg
Sr. Human Resources Generalist
WCIRB California]

Standard services for the employer –

- ❑ **Employee enrollment packets** – Each plan year, BASIC pacific will provide you with an electronic enrollment packet. The packet includes an enrollment form (if requested) and material explaining how the plan works, including how to enroll.
- ❑ **Plan design assistance** – Before a plan can run correctly, it has to be set-up correctly. Whether we are helping you establish a new plan or taking over for a previous administrator, we are here to help ensure the plan is designed and implemented properly.
- ❑ **Unlimited HR/payroll staff assistance** – We view our client relationship as a partnership. As such, we want your staff to feel comfortable contacting us whenever questions arise without being concerned with extra costs.
- ❑ **Plan Documents** – Plan documents are the backbone of your Plan. Maintaining updated and complete documents is essential to protecting the favorable tax status of your Plan. At BASIC pacific, we take this responsibility seriously. Our documents are written and updated by one of the most respected ERISA legal experts in the country.

You will receive a customized Plan Document and Summary Plan Description (SPD) prior to the effective date of services. In future years, you will receive amendments and restatements whenever a change is required. In addition, you may make changes to your Plan each year on your anniversary at no additional charge.

- ❑ **Administration Materials** – We will provide you with all administration forms needed to manage your Plan. Forms will be updated as needed.
- ❑ **Discrimination Testing** – Our services included unlimited self-service discrimination testing. If you test fails, we will advise you on corrective action. There is no additional charge for the first 30 minutes of assistance. An additional fee will be charged for assistance exceeding 30 minutes.
- ❑ **HIPAA Privacy Compliance** – Effective April 14, 2004, all Health FSA plans had to comply with stringent HIPAA Privacy Regulations. As a service to our clients, BASIC pacific includes many of the compliance requirements at no additional cost to our clients. Our HIPAA Privacy compliance services include the following:
 - Amendments to Plan Document & SPD required by HIPAA
 - Business Associate Agreement
 - Participant Privacy Notice
 - BASIC pacific will complete your requirement to distribute the Privacy Notice by emailing or mailing it each year with every “welcome packet”.



□ **Claim processing (for reimbursements when the debit card is not used by the participant to pay for an expense)** – Our claim processing is truly “full service”.

Following is a description of important features:

- We communicate directly with your participants.
- Participants can use their debit card or submit manual (non-debit card) claims for reimbursement via mail, fax, email, online or mobile app.
- We will deposit reimbursements directly into the participant’s personal bank account.
- All manual reimbursements are paid to the employee from our administrative account. The employer only has to provide a funding account, from which we will electronically draft funds needed to cover the cost of claims paid.

□ **Management reports** – BASIC pacific provides a full range of accounting and management reports. Following are some of the reasons why our reporting is the most complete and flexible in the industry. Our reports.

- can be provided monthly, quarterly, annually and upon request.
- can be emailed & posted to the employer web portal, just posted to the web portal with a reminder email, or simply posted to the web portal with no reminder email.
- can be provided with participant detail or with no individual identifiers for employers concerned about HIPAA privacy.
- can be sent to a different employer representative (or grouping of representatives).
- can be reassigned on a moment’s notice if an employer representative will not be at work for any period of time.
- are provided in Excel for ease of use by the employer.



□ Claim Funding

Standard Process (No Additional Charges Apply): Pass Through Funding:

Pass-Through funding is utilized by 85% of our CDH (Consumer Driven Health) clients. It is our most efficient and lowest cost funding process. Following is a description of the Pass-Through funding process:

- Under the Pass-Through funding process, BASIC pacific (and the debit card provider) front the money needed to pay claims and then recoup these funds from the employer on a daily basis.
- BASIC pacific will ACH bank draft the amount of claims paid on a daily basis from a bank account authorized by the employer. The employer may establish a dedicated bank account; however, it is not required.
- BASIC pacific **may** process a “pre-note”. The pre-note may be for \$1.00 to ensure the ACH routing information is correct. The \$1.00 pre-note is NOT refundable.
- If debit cards are offered, the employer will receive a daily email indicating the amount of claims paid by their employees via the debit card on the previous day. These funds will be drafted from the employer claim funding account on the same or next banking day. The employer is responsible to maintain an adequate balance in their funding account to ensure all debit card drafts are honored. If there are no debit card transactions on a day, the email notification will indicate a \$0.00 draft amount.
- BASIC pacific will pay traditional (meaning non-debit card) claims out of the BASIC pacific reimbursement account. This is an aggregated account used for all employers. Employers that prefer not to have their claims paid from an aggregated account will need to consider an alternative process from the options available below.
- On any day that BASIC pacific pays traditional claims, the employer will receive an email notification of the total amount paid, along with a detail of the amounts paid by participant (if the employer elects to receive this much detail). BASIC pacific will ACH bank draft the funds from the employer claim funding account one to two banking days after the email notification. The employer is responsible to maintain an adequate balance in the funding account to ensure all drafts are honored.
- Bank drafts are “by day”, not “by claim”. For example, if BASIC pacific pays 5 manual claims for \$100 each, a single \$500 draft will be deducted from the employer’s account.
- At the beginning of each month, the employer will receive a report listing all ACH bank drafts for the prior month; making the monthly reconciliation a snap.
- Due to continuous adjustments and the timing of transactions, it is very difficult to reconcile Pass-Through bank drafts to monthly management reports (meaning reports illustrating participant balances). Employers that wish to continuously reconcile the banking and administrative balances, may need to consider an alternative funding option (described below).
- If a draft is not honored, it must be corrected timely and the employer will be charged a \$50 fee.

- ❑ **Year-End Accounting** – After the close of each plan year, we will provide the employer with a final accounting for the reimbursement accounts. In some cases there will be a small amount remaining in the account as a result of participant forfeitures. When this occurs, we will recommend how best to distribute the unclaimed funds.
- ❑ **Form 5500 Preparation** – Welfare benefit plans with 100 or more participants as of the first day of the plan year are required to file a Form 5500 report and disclosure form with the IRS. The Health FSA and Limited Purpose Health FSA are welfare plans requiring a Form 5500. If a plan is required to file a separate Form 5500, BASIC pacific will prepare the filing on a signature ready basis for a small fee. This service is limited to preparation of the Form 5500 for a “stand-alone” (no Wrap Document), “unfunded” (benefits paid from the general assets of the employer) Health FSA. This service must be requested each year by the employer.

“I just wanted to let you know how pleased I am with the service I have been receiving for my daycare reimbursements. I have been using this service for several years through the Bank and as you know the prior companies we have used have been less than adequate. From day one BASIC pacific has provided nothing but excellent customer service. I immediately received information from them explaining how the disbursements worked and how I could access my information and even setup automatic deposits. My information was setup and accessible on the Internet right away. I receive my checks within 2 business days of my request! They even took the time to send me a note with my last check because I signed up for automatic deposits and according to their paperwork I would only receive 2 checks before my deposits would start and I guess because this was the 3rd check they let me know that there was a small delay and that this should be the last check I would receive vs. automatic deposits. I really appreciated that! Anyway, I am very happy with this company!”

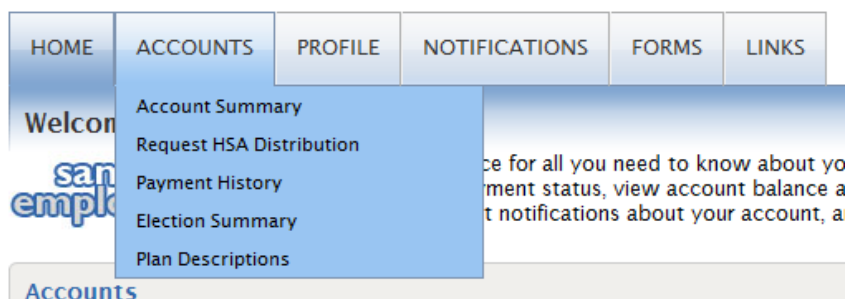
Linda Nisnisan
Loan Processing Manager
Union Safe Deposit Bank

HSA SERVICES: CONSUMER PORTAL AND FAQ

Online HSA features:

Our one-stop HSA portal provides easy, convenient access to real-time information. Participants can access their HSA information 24/7 to:

- View account information and balances, including amounts held in “cash” and investment
- Access fund performance and prospectus information
- Invest funds over \$2,000 in a variety of high quality, low fee mutual funds
- Invest in up to 10 funds at one time
- Rebalance accounts on demand or automatically
- Move funds between cash and investment accounts
- Access forms and notifications
- Request a distribution or authorize a payment to a service provider



Rolling over top-level navigation tabs displays selections within, providing convenient, one-click access to the most commonly used tasks.

Q. How do I find my HSA balance?

- A. You can find your HSA balance by clicking on the Accounts tab on the main page, then choosing Account Summary. Links within the Account Summary section include Plan Rules, Election Summary, Payment History, Account Activity (if enabled for the employer), and Request HSA Distribution. This is also where you can access your HSA Investment Account details.

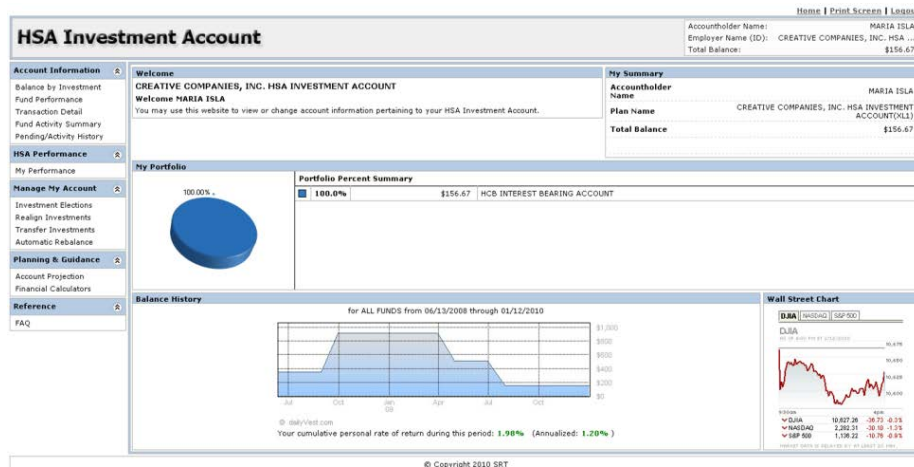
Q. How do I find my investment balance?

- A. You can find your HSA balance by clicking on the Accounts tab on the main page, then choosing Account Summary. The investment balance in your HSA will be listed as the Investment Fair Market Value.

Q. How do I request a distribution?

- A. To request distribution from your HSA, click on the Accounts tab of the main page, then choose Request HSA Distribution. Complete the fields and click Submit. You can also use your HSA debit card to pay for your medical expenses directly from your HSA.

Click on **HSA Investment Details** to view your HSA Investment Account. (The username and password you used to access the portal will also give you access to your investment account details.)



Q. Where can I find and update my profile information?

- A. Your profile information can be found by clicking the Profile tab. Information found on this tab includes Profile Summary, Dependents, Beneficiaries, Bank Accounts, Debit Cards and Login Information. Please note that some profile changes will require you to answer an additional security question.

Q. How do I change my investment elections?

- A. To change your investment elections for future contributions to your investment account, click on the link called Investment Elections under Manage My Account on the investment portal. Please note any changes you make will affect your investment elections for future contributions, but will not change how the current balance in your HSA is invested.

Q. How do I transfer funds from one investment to another?

- A. To make changes to existing investment balances, you can use either the Realign Investments or Transfer Investments link.

Realign Investments affects your entire account balance. A realignment initiates the sale of your existing investments and reinvests the proceeds according to your new investment instructions. Trades initiated before the market closes (1:30 p.m. Central Time) will be processed the same business day. Trades initiated after the market closes are processed at the close of the next business day.

Transfer Investments initiates a sale of one or more funds and a purchase into another fund or funds. Trades initiated before the market closes (1:30 p.m. Central Time) will be processed the same business day. Trades initiated after the market closes are processed at the close of the next business day.

Note: Transferring investments will not change your investment elections for future contributions to your investment account. See the previous question and answer for steps to change elections for future contributions.

**Q. Are HSA Statements available online?**

- A. Your HSA Account Summary report can be found by clicking on the Notifications tab and choosing HSA Account Summary Reports. An HSA Investment Account summary can be found on the Investment Portal by choosing Fund Activity Summary.

Q. Where can I find HSA forms and resources?

- A. Forms, such those pertaining to HSA direct deposit and enrollment, can be found under the Forms tab. Additional resources, such as HSA calculators and other helpful resources are located on the Links tab.

ALERT – HSA Contributions NOT Deductible For California! – Please note that the State of California does not currently permit pre-tax HSA contributions, even when made through a Flexible Benefit (“cafeteria”) Plan. This means employers must report HSA contributions as taxable for California State tax purposes. A few other states also do not permit HSA contributions to be made pre-tax. Check with your States Tax Board to confirm if your state permits pre-tax HSA contributions.

How can BASIC pacific provide all these services for such a low fee?

We keep the fees low by eliminating waste and inefficiencies. That's why we call this our "lean & green" service option. Following are some of the ways we are able to offer a great service for such a low cost when compared to our traditional services:

Your Broker! Your benefit broker and BASIC pacific work together to ensure we receive all the information we need to implement each new plan efficiently and accurately. By working together as a team, we save hours bringing on new clients.

Simplified Service Options: By limiting the administrative choices to our most popular designs, we give our customers what they really want and save hours bringing them aboard.

Streamlined Enrollment Materials: Our new enrollment materials provide everything your employees need in an efficient package that takes minutes to prepare compared with more than an hour for our traditional employee material.

Pass-Through is the Exclusive Claim Funding Option: With our traditional service, we offer three claim funding options that often take more than an hour to discuss with a new client. And after all that, 85% of our clients choose Pass-Through! By narrowing the choice to Pass-Through funding, we not only save time during the set-up, we are assured the most efficient funding process is utilized. Please refer to page 8 for a detailed description of this process.

Motivation to Return Signed Service Agreement: No one likes to read a 20 page service agreement. We get that! But it is critically important for both the employer and BASIC pacific to have a signed service agreement on file. So instead of running our staff ragged pursuing clients for a signed agreement, we simply add a \$20 per month fee until the agreement is returned. Problem solved!

Self-Testing: One of the biggest time eaters is gathering information to perform annual cafeteria plan discrimination testing. To solve this problem, we invested hundreds of hours and untold thousands of dollars building an easy to use self-service testing system. The new system allows clients to perform their testing with minimal assistance from our staff, helping us save time and helping our clients save money!

Participant Email Addresses Required: Traditional mailing costs are skyrocketing, resulting in higher fees for our clients. By requiring participants to maintain an email address on file, we can reduce our hard costs by more than \$15 for every participant....every year!

No Reimbursement Checks: Mailing reimbursement checks to participants is one of the most inefficient, expensive, and wasteful costs in our industry; and who is happy to receive a \$15 check in the mail anyway? By requiring reimbursements to be made electronically via direct deposit, the funds go right into your employees' personal bank accounts quickly and efficiently. No waste and no lost checks!

Debit cards, Mobile App & Full Service Web Portal: Our best in class debit card, mobile app and web portal make it easy for employees to find information and use their accounts without always requiring someone to hold their hand. Of course, when employees do need help from a real live person, our staff is here to help!

OUR CLIENTS SAY IT BEST...

Unsolicited e-mail received by BASIC PACIFIC Customer Service: *“Hi there. Just wanted to pass along that I've been VERY impressed with BASIC pacific since starting the dependent care program here at the City of Folsom this year. The customer service I've received over the telephone has been EXCELLENT, and I love your web site as well (easy to navigate, access key information, etc.). I also am astounded at how quickly my direct deposits appear for each claim after our payroll is processed. GREAT job. Keep up the terrific work! :o)”*

Elaine Andersen
Special Projects Manager
City of Folsom, City Manager's Office

Unsolicited e-mail sent to the employee's Director of HR: *“I just wanted to take a few moments and thank you folks for your excellent choice for the flexible account benefit. Since I started using the benefit a couple of years ago I have always been impressed with the rapid response from them. I continue to get more impressed with them as time goes on. Last week I faxed a claim in on Monday, and I had the check in my mail on Friday. Again, I just wanted to thank you for a benefit that works so very well. Benefits should be easy to work with and these guys are the best!!!!!!!!!!!!!!!!!!!!!!”*

Michael Grove
National Product Manager
XP Power, Inc.
Sunnyvale, CA

Unsolicited e-mail sent to the employee's Director of HR: *“...By the way, BASIC pacific is a great FSA provider – their customer service is impeccable and their ease of reimbursement is fantastic.”*

Meaghen Patricia Murray
Senior Urban Planner
Cooley Godward Kronish LLP

Unsolicited e-mail sent to the employee's HR Manager: *“I just e-filed my first medical claim and WOW what a fantastic system. Very efficient. Kudos to you for the fantastic company! I've used FSA plans under many administrators and this is by far the easiest.”*

Cindi Dodd, Director of Marketing
NewStar Fresh Foods

ADMINISTRATION CHARGES

- ❑ **BASE ANNUAL FEE** – The Annual Fee is billed in the first month of each plan year:

Base Annual Fee:

INCLUDED ⁽¹⁾

1. A token one-time initial set-up fee of \$50 will be charged to establish your service. This fee is billed when we receive your implementation paperwork.

- ❑ **MONTHLY FEES** – Our monthly fee is based on the number of active “open” spending accounts as of the first day of each month. A Health FSA, LP Health FSA, Dependent Care FSA, Health Savings Account (HSA), Parking Account and Transit Account are each considered a “spending account”. If an employee has a Parking account and Health FSA, it counts as two spending accounts. Participation in Pre-Tax Premium accounts (meaning health insurance premiums that are deducted from pay pre-tax) do not count as a “spending account”. The fees are the same with, or without debit cards.

<u>Number of Spending Accounts:</u>	<u>Monthly Fee</u> ^{(1) (2) (3) (4) (5) (6) (7)}
00 Open Spending Accounts:	\$35
01 – 04 Open Accounts:	\$45
05 – 09 Open Accounts:	\$55
10 – 14 Open Accounts:	\$65
15 – 19 Open Accounts:	\$75
20 – 29 Open Accounts:	\$95
30 – 39 Open Accounts:	\$125
40 – 49 Open Accounts:	\$155
Each Additional Open Account:	\$4

1. A \$10 fee will be deducted from the participant’s pre-tax account for replacement of a lost or stolen card. The employer may elect to pay this fee. However, we recommend having the participant pay this fee.
2. Due to Federal regulations, the debit card is not recommended for use with the Dependent Care FSA.
3. Participants that elect the debit card are required to maintain an email address on file with BASIC pacific.
4. The debit card is fully integrated with our HSA and Limited Purpose Health FSA if both are offered by the employer.
5. The debit card is fully integrated with our traditional Commuter Accounts.
6. An “Open Account” means any spending account whereby the participant is permitted to submit a claim as of the 1st of the month. For example, if an employee terminates employment on March 15th and is given 30 days to submit Health FSA claims after their termination date, their account is “open” for the month of April. The only exception to this rule is the HSA. If the example employee is in an HSA account, it will not count as an “Open Account” in April.
7. Your service agreement must be returned prior to the start of your service. To encourage clients to comply, a charge of \$20 will be added to the invoice each month that we do not have a signed agreement on file. To avoid this charge, simply sign and return the service agreement before the date your services commence.

- ❑ **OPTIONAL & ADDITIONAL SERVICES –**

• Employee Web Meetings (<i>no charge for one mtg. Yr. 1</i>):	\$75 Per Additional Meeting
• On-site meetings:	Not Available
• Employee Material Provided Electronically:	INCLUDED
• HIPAA Privacy Notice provided to Participants:	NO CHARGE
• Full service discrimination testing and assistance fixing a Discriminatory plan after 30 minutes (see page 5):	\$75/hour
• Form 5500 Preparation (see page 7):	\$100 per filing (\$50 for an extension)
• Termination of services (Includes processing claims throughout the Grace and Run-Out periods.):	Standard Monthly Fee will Continue
• Early (Mid-Year) termination of services:	\$200