

Assessor's Parcel Number:   N/A  

Date:   AUGUST 12, 2016  

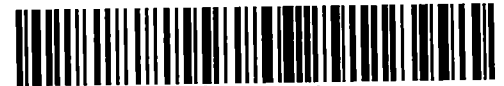
Recording Requested By:

Name:   NIKKI SCHMIDT, PUBLIC WORKS    
        (RR)  

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Real Property Transfer Tax: \$   N/A  



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KAREN ELLISON, RECORDER

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**CONTRACT #2016 187**  
(Title of Document)

FILED

NO. 2016.187

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**CONTRACT FOR SERVICES BY AN INDEPENDENT CONTRACTOR**

A CONTRACT BETWEEN

**DOUGLAS COUNTY, NEVADA**

AND

**CH2M HILL**

DOUGLAS COUNTY  
CLERK  
BY *[Signature]*  
DEPUTY

This Contract for Services by an Independent Contractor (the "Contract") is entered into by and between Douglas County, a political subdivision of the State of Nevada, through the Board of County Commissioners (the "County"), and CH2M Hill ("Contractor"). The County and Contractor are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

WHEREAS, Douglas County, a political subdivision of the State of Nevada, from time to time requires the services of independent contractors; and

WHEREAS, it is deemed that the services of Contractor herein specified are both necessary and desirable and in the best interests of Douglas County; and

WHEREAS, Contractor represents that Contractor is duly qualified, equipped, staffed, ready, willing and able to perform and render the services hereinafter described.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein made, the County and Contractor mutually agree as follows:

**1. TERM AND EFFECTIVE DATE OF CONTRACT.** The Contract will become effective on the date it is approved and signed by representatives of both Parties. Time is of essence for performance of the professional services described herein and all tasks must be completed by Friday, December 30, 2016.

**2. INDEPENDENT CONTRACTOR STATUS.** The Parties agree Contractor will have the status of an independent contractor and that the Contract, by explicit agreement of the Parties, incorporates and applies the provisions of NRS 333.700, as necessarily adapted to the Parties, including the express understanding that Contractor is not an employee of the County and that:

There shall be no:

- (1) Withholding of income taxes by the County;
- (2) Industrial insurance coverage provided by the County;
- (3) Participation in group insurance plans which may be available to employees of the County;

- (4) Participation or contributions by either the Contractor or the County to the public employee's retirement system;
- (5) Accumulation of vacation leave or sick leave; and
- (6) Unemployment compensation coverage provided by the County if the requirements of NRS 612.085 for independent contractors are met.

**3. INDUSTRIAL INSURANCE.** Contractor further agrees that, prior to the commencement of any work and as a precondition to any obligation of the County to make any payment under the Contract, Contractor will provide the County with a work certificate and/or a certificate issued by a qualified insurer in accordance with NRS 616B.627. Contractor also agrees that, prior to commencing any work under the Contract, Contractor will complete and provide evidence to the County that Contractor has made the following written request to Contractor's insurer:

CH2M Hill has entered into a contract with Douglas County to perform work through Wednesday, June 01, 2016 and requests that an authorized insurer provide to Douglas County: (1) A certificate of coverage issued pursuant to NRS 616B.627 and (2) Notice of any lapse in coverage or nonpayment of coverage that the Contractor is required to maintain.

The certificate and notice should be mailed to:

Douglas County  
Public Works Department  
Post Office Box 218  
Minden, Nevada 89423

Contractor agrees to maintain all required workers' compensation coverage throughout the entire term of the Contract. If Contractor does not maintain the required coverage throughout the entire term of the Contract, Contractor agrees that the County may, at any time the coverage is not maintained by Contractor, order the Contractor to stop work, suspend the Contract, or terminate the Contract at the sole discretion of the County. For each six-month period this Contract is in effect, Contractor agrees, prior to the expiration of the six-month period, to provide another written request to the insurer for the provision of a certificate and notice of lapse in, or nonpayment of, insurance coverage. If Contractor does not make the request or does not provide the certificate before the expiration of the six-month period, Contractor agrees that the County may order the Contractor to stop work, suspend the Contract, or terminate the Contract at the sole discretion of the County.

**4. SERVICES TO BE PERFORMED.** The Parties agree that the Contractor will perform the following:

Complete the Douglas County Asset Management Roadmap in accordance with the attached Scope of Work (Exhibit A) and rate Schedule (Exhibit B).

**5. PAYMENT FOR SERVICES.** Contractor agrees to provide the services set forth in Paragraph 4 on a time and materials cost not to exceed Forty-Nine Thousand Nine Hundred Dollars

(\$49,900) (the "Contract Price"). Unless Contractor has received a written exemption from the County, Contractor shall submit monthly requests for payment for services performed under this Contract. Requests for payment shall be submitted no later than fifteen (15) days after the end of a month and must include a detailed summary of the expenditures reported in a form that supports the approved budget. Specifically, Contractor agrees to provide with each request for payment a schedule of actual expenditures for the period, cumulative total expenditures for the entire contract, and a comparison of cumulative total expenditures to the maximum expected fee for the services and tasks set forth in Paragraph 4.

**6. TERMINATION OF CONTRACT.** Either Party may terminate the Contract if either Party fails to correct any breach of the terms of the Contract within 30 days after receiving notice of such breach and having been given a reasonable opportunity to cure the breach.

**7. NONAPPROPRIATION.** All payments required pursuant to the Contract are contingent upon the availability of County funds. In accordance with NRS 354.626 and any other applicable provision of law, the financial obligations between the Parties will not exceed those monies appropriated and approved by the County for the Contract for the then current fiscal year under the Local Government Budget Act. The Contract will terminate and the County's obligations will be extinguished if the County fails to appropriate the necessary funding.

Nothing in the Contract will be construed to provide Contractor with a right of payment from any entity other than the County. Any funds budgeted by the County pursuant to the terms of the Contract that are not paid to Contractor will automatically revert to the County's discretionary control upon the completion, termination, or cancellation of the Contract. The County will not have any obligation to re-award or to provide, in any manner, the unexpended funds to Contractor. Contractor will have no claim of any sort to the unexpended funds.

**8. CONSTRUCTION OF CONTRACT.** The Contract will be construed and interpreted according to the laws of the State of Nevada. There will be no presumption for or against the drafter in interpreting or enforcing the Contract. In the event a dispute arises between the Parties, the Parties promise and agree to first meet and confer to resolve any dispute. If such meeting does not resolve the dispute, then the Parties agree to mediate any dispute arising from or relating to the Contract before an independent mediator mutually agreed to by the parties. The fee, rate or charge of the mediator will be shared equally by the Parties, who will otherwise be responsible for their own attorney's fees and costs. If mediation is unsuccessful, litigation may only proceed before a department of the Ninth Judicial Court of the State of Nevada in and for the County of Douglas that was not involved in the mediation process and attorney's fees and costs will be awarded to the prevailing party at the discretion of the court.

**9. COMPLIANCE WITH APPLICABLE LAWS.** Contractor promises and agrees to fully and completely comply with all applicable local, state and federal laws, regulations, orders, or requirements of any sort in carrying out the obligations of the Contract, including, but not limited to, all federal, state, and local accounting procedures and requirements, all hazardous materials regulations, and all immigration and naturalization laws.

**10. ASSIGNMENT.** Contractor will neither assign, transfer nor delegate any rights, obligations or duties under the Contract without the prior written consent of the County.

**11. COUNTY INSPECTION.** The books, records, documents and accounting procedures and practices of Contractor related to the Contract will be subject to inspection, examination and audit by the County, including, but not limited to, the contracting agency, the County Manager, the District Attorney, and, if applicable, the Comptroller General of the United States, or any authorized representative of those entities.

**12. DISPOSITION OF CONTRACT MATERIALS.** Any books, reports, studies, photographs, negatives or other documents, data, drawings or other materials prepared by or supplied to Contractor in the performance of its obligations under the Contract (the "Materials") will be the exclusive property of the County and all such materials will be remitted and delivered, at Contractor's expense, to the County by Contractor upon the completion, termination or cancellation of the contract. Alternatively, if the County provides its written approval to Contractor, the Materials must be retained by Contractor for a minimum of six years after Contractor's receipt of the final payment from County and all other pending matters are closed. If, at any time during the retention period, the County, in writing, requests any or all of the Materials, then Contractor will promptly remit and deliver the materials, at Contractor's expense, to the County. Unless the County has requested the remittance and delivery by Contractor of the Materials, Contractor will not use, willingly allow or cause to have such Materials used for any purpose other than the performance of Contractor's obligations under the terms of the Contract without the prior written consent of the County.

**13. PUBLIC RECORDS LAW.** Contractor expressly understands and agrees that all documents submitted, filed, or deposited with the County by Contractor, unless designated as confidential by a specific statute of the State of Nevada, will be treated as public records pursuant to NRS chapter 239 and shall be available for inspection and copying by any person, as defined in NRS 0.039, or any governmental entity. Contractor expressly and indefinitely waives all of its rights to bring, including but not limited to, by way complaint, interpleader, intervention, or any third party practice, any claims, demands, suits, actions, judgments, or executions, for damages or any other relief, in any administrative or judicial forum, against the County or any of its officers or employees, in either their official or individual capacity, for violations of or infringement of the copyright laws of the United States or of any other nation.

**14. INDEMNIFICATION.** Contractor agrees to indemnify, defend, and save and hold the County, its agents and employees harmless from any and all claims, causes of action or liability arising from or related to Contractor's negligent performance pursuant to the terms of the Contract by Contractor or Contractor's agents or employees.

**15. MODIFICATION OF CONTRACT.** The Contract and the attached exhibits constitute the entire agreement and understanding between the Parties and may only be modified by a written amendment signed by both of the Parties.

**16. AUTHORITY.** The Parties represent and warrant that they have the authority to enter into this agreement.

**17. STANDARD OF CARE.** Contractor will perform all services in a manner consistent with that level of care and skill ordinarily exercised by other members of Contractor's profession currently practicing in the same locality under similar conditions.

**18. WAIVER OF LIEN.** Contractor understands and agrees that the services it will render to the County are not intended for the improvement of real property or to otherwise grant any rights to Contractor pursuant to NRS chapter 108.

**19. THIRD PARTY BENEFICIARY.** Nothing contained in this Agreement is intended to convey any rights or to create a contractual relationship with any third party or to otherwise allow a third party to assert a cause of action against either Contractor or County.

**20. NOTICES.** All notices, requests, demands and other communications hereunder must be in writing and will be deemed delivered when sent via certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

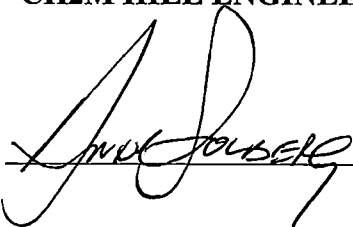
**To County:** Douglas County  
Attn: Public Works Director  
1120 Airport Road, F2  
Post Office Box 218  
Minden, Nevada 89423  
Telephone: (775) 782-6227

**To Contractor:** CH2M Hill  
Attn: Jerry Dehn, Principal-in-Charge  
2525 Airpark Drive  
Redding, California 96001  
Telephone: 530-243-5831

**21. CONFLICT OF INTEREST.** By signing the Contract, Contractor agrees that any information obtained from Douglas County, in whatever form, will not be divulged to other competing interests without the permission of the County Manager. In the event of a breach of this provision, Douglas County may immediately withdraw, without penalty or any payment, from the Contract. Contractor must notify Douglas County of any other contracts or projects Contractor is working on that may impact Douglas County.

**IN WITNESS WHEREOF**, the Parties hereto have caused the Contract to be signed and intend to be legally bound thereby.


**CH2M HILL ENGINEERS, INC**

By:  July 6, 2016  
(Date)

Andrew Solberg, Vice President

By:  7-15-16  
(Date)

Jerry Dehn, Principal-in-Charge

**Douglas County**  
By:  8/1/16  
Lawrence A. Werner, Interim County Manager (Date)

# Exhibit A: Scope of Work

## Douglas County Asset Management Planning

CH2M's proposed scope of work is broken into three asset management steps that actively engages Douglas County (DCPW) participation in order to have informed input and commitment to the Asset Management Roadmap recommendations.

### Task 1: Asset Management Planning Kickoff and Data Gathering

#### 1.1 Initial Project Call

CH2M will conduct an initial project telephone call with DCPW's project manager and other key asset management staff to discuss the project goals, schedules, roles and responsibilities, document request, and other pertinent project items.

**Deliverables: Meeting materials**

#### 1.2 Data Gathering and Review

In order to optimize the Kickoff Meeting and initial assessment portion of the work, CH2M will coordinate with DCPW to assemble information necessary to provide a background level of understanding and guide discussions with staff.

CH2M will compile a document request. DCPW is expected to provide relevant documents within one week of the delivery of the document request. CH2M will then review the documents prior to the Kickoff Meeting to have an introductory level of knowledge to facilitate the Kickoff Meeting and subsequent work. Example data to be gathered includes the items in Table 1.

Table 1 - Example Document Request Items

Document(s)	Rationale
Job descriptions and length of service	Understand which roles have which responsibilities, assess turnover levels, understand potential retirement impacts
Organizational charts	Understand the structure and functional organization of DCPW and how different departments interact
Staffing numbers and type by shifts and facility	Understand how many and what types of staff are at which facilities to see if there are additional needs
Description of IT applications	Understand what IT systems are in place, to what extent their capacity is used, how interconnected they are, etc.
Rate Study results	Understand how and at what rate O&M and capital costs are allocated and recovered, rate types and structure
History of environmental compliance	Understand any operational or regulatory issues and mitigation activities
Description of safety program, policy, and performance	Understand employee and public health and safety programs and policies, monitoring and reporting, contingency plans, etc.
Relevant Human Resource policies	Understand how HR policies impact DCPW and if there are opportunities for improvement
Training program descriptions	Understand staffing competencies and gaps, internal skills versus outsourcing, knowledge retention and transfer, career



	advancement
Financial statements and policies	Understand reserve levels, debt coverage, revenue requirements, asset values, risk management, processes, etc.
Budgets	Understand how budgeting process is conducted, tradeoffs and decision making, allocation of funds, tracking, monitoring and reporting
Internal and external service levels	Understand what service levels exist, how and to whom they have been communicated, how they are monitored and reported
Customer satisfaction data	Understand how DCPW interacts with its customers and how that relates to service levels, outreach and education, customer service protocols, etc.
Procurement policies	Understand how equipment and spares are procured, any IT systems in place, stores and warehousing practices, etc.
O&M and capital plans	Understand the elements of the plans, balances and tradeoffs, how they are prioritized, implemented, commissioned, and disposed
Asset management related information such as asset condition information/approaches, decision making, CIP prioritization, asset hierarchy, SAMPs, SOPs, policy and governance, maintenance practices, risk register, training, benchmarking, etc.	Understand where the utility stands with its asset management program and how well integrated it is throughout DCPW, what elements are in place and to what extent, how it is implemented and used, reporting, use of data, how decisions are made, etc.

### 1.3 Kickoff Meetings

The kickoff meetings will be held at Douglas County's facilities located near Minden, NV and are intended to align DCPW staff identified in the initial project call with DCPW's goals and objectives for the project and CH2M's process to achieve them. CH2M staff will facilitate a one hour introduction intended to provide context and communicate goals, process, roles, and responsibilities. Following the introduction, separate 1.5 hour sessions will provide an asset management primer to provide DCPW staff with a common understanding of asset management fundamentals. One session will be targeted to managers and supervisors and the other will focus on O&M staff. Buy-in from staff enables the collective team to move forward with data gathering and identification of needs, based on broad perspectives.

#### ***Deliverables: Meeting materials***

### 1.4 Staff and Field Interviews

CH2M will conduct onsite individual and small group interviews with key DCPW staff from across the organization over a two day time frame. It is anticipated that Management level staff and representative staff from various departments, including front line staff, will participate in the interviews.

These interviews will supplement CH2M's existing information and provide insight into current service levels, systems, tools, processes, and the organizational structures used to accomplish DCPW's objectives. These interviews will improve the understanding of organization-specific operations.

## 1.5 Conduct Self-Assessment with CAMRA

CH2M will conduct an asset management gap analysis using our Comprehensive Asset Management Review and Assessment (CAMRA) process, to determine DCPW's current and future desired asset management state. The gap assessment will be conducted in a one day facilitated workshop with representative staff from DCPW.

CAMRA uses a series of 36 questions aligned with leading practice (referred to as themes in the tool), in four asset management focus areas; strategy, people, processes, and technology. The tool considers the organization's desired state in the 36 themes, and assesses the current and desired states in each of the themes on maturity levels ranging from 1 to 5.

CH2M will conclude its onsite work with an out brief to the previously identified DCPW stakeholders. The out brief will present some initial high level findings from the interviews, CAMRA summaries, and discuss the next steps for Asset Management Roadmap development.

***Deliverables: Completed CAMRA tool***

## Task 2: Data Review and Analysis

### 2.1 Data and Process Review and Analysis

Leveraging information from industry best practices and the findings from Task 1, CH2M will review the information gathered and the information learned from the gap analysis. This effort will identify potential tools, strategies, processes, and organizational improvements needed to close the identified gaps.

## Task 3: Asset Management Road Map

### 3.1 Draft Asset Management Roadmap Report

CH2M will prepare a draft Asset Management Roadmap Report based on the analysis in Task 2.1. The report will address the following topics:

- executive summary
- introduction
- project methodology
- prioritized improvement initiatives with objectives (i.e. next steps)
- preliminary scopes
- staffing levels
- implementation elements
- anticipated benefits
- potential barriers
- overall initiative sequencing
- estimated budget requirements
- conclusions

***Deliverables: Draft Asset Management Roadmap Report***



## Assumptions

DCPW will engage and encourage active participation from staff in supporting this project.

DCPW will provide suitable facilities for conducting on-site interviews and workshops.

All deliverables will be in electronic format: MS Word, PowerPoint, Excel, and/or Adobe PDF.

## Compensation

CH2M will perform the services defined herein on a time and material cost in accordance with the rate schedule in Exhibit B not to exceed a total of \$49,900. Invoices will be submitted monthly.



## Exhibit B

### 2016 CH2M HILL Per Diem Rate Schedule for Douglas County Asset Management Plan Hourly Billing Rates

#### Classification

	<u>Rate</u>
Sr. Principal Technologist*/Program Manager	\$245
Principal Technologist*/Principal Project Manager	\$230
Sr. Technologist*/Sr. Project Manager	\$215
Senior Project Engineer*	\$195
Project Engineer*	\$175
Associate Engineer*	\$155
Staff Engineer 2*	\$135
Staff Engineer 1*	\$115
Engineering Tech 5	\$143
Engineering Tech 4	\$126
Engineering Tech 3	\$109
Engineering Tech 2	\$99
Engineering Tech 1	\$89
Office/Clerical/Accounting	\$80

\* includes engineering, consulting, planner, and scientist disciplines

#### Notes:

1. Direct Expenses are those necessary costs and charges incurred for the PROJECT including, but not limited to: (1) the direct costs of transportation, meals and lodging, mail, subcontracts, and outside services; special client-approved PROJECT-specific insurance, letters of credit, bonds, and equipment and supplies; (2) Consultant's charges for direct use of Consultant's vehicles, computing systems, laboratory test and analysis, word processing, printing and reproduction services, and certain field equipment; and (3) Consultant's project charges for special health and safety requirements of Occupational Safety and Health Administration (OSHA) services.
2. Consultant's rates for the following direct expenses shall be: Computer charges of \$6.00 will be applied to all labor hours for office staff. A Health & Safety charge of \$1.75 will be applied to all labor hours of employees who are currently enrolled in the CH2M HILL Comprehensive Health & Safety Program. These rates are subject to change for work performed beyond the work period noted below.
3. A markup of 10% will be applied to all other Direct Costs and Expenses.
4. An additional premium of 25% will be added to the above rates for Expert Witness and Testimonial Services.
5. Rates are applicable for work performed through December 31, 2016. Rate increases will go into effect on January 1, 2017.

COPY

Douglas County

State of Nevada

CERTIFIED COPY

I certify that the document to which this certificate is attached is a full and correct copy of the original record on file in the Clerk-Treasurer's Office on this

12th day of January, 2016

By [Signature] Deputy