

Assessor's Parcel Number: N/A

Date: SEPTEMBER 18, 2018

Recording Requested By:



00079734201809197530120125

KAREN ELLISON, RECORDER

Name: HEATHER MACDONNELL, PUBLIC WORKS
(RR)

Address: _____

City/State/Zip: _____

Real Property Transfer Tax: \$ N/A

CONTRACT #2018.204
(Title of Document)

CONTRACT FOR SERVICES BY AN INDEPENDENT CONTRACTOR

A CONTRACT BETWEEN

DOUGLAS COUNTY, NEVADA

AND

CH2M HILL ENGINEERS, INC.

BY *[Signature]*
DOUGLAS COUNTY
CLERK

2018 SEP 17 AM 11:22

2018.2012

FILED

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 Engineers, Inc. ("Consultant"). The County and Consultant 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 Consultants; and

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

WHEREAS, Consultant represents that Consultant 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 Consultant 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 the essence for performance of the professional services described herein and all tasks must be completed by Sunday, December 15, 2019.

2. INDEPENDENT CONTRACTOR STATUS. The Parties agree Consultant 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 Consultant 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 Consultant or the County to the public employee's retirement system;
- (5) Accumulation of vacation leave or sick leave;
- (6) Unemployment compensation coverage provided by the County if the requirements of NRS 612.085 for independent contractors are met.

Additionally, the Consultant is not in the classified or unclassified service of the County and has none of the rights or privileges available to officers, employees or other appointees of the County.

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

CH2M HILL Engineers, Inc. has entered into a contract with Douglas County to perform work through Friday, November 30, 2018 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 Consultant is required to maintain.

The certificate and notice should be mailed to:

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

Consultant agrees to maintain all required workers' compensation coverage throughout the entire term of the Contract. If Consultant does not maintain the required coverage throughout the entire term of the Contract, Consultant agrees that the County may, at any time the coverage is not maintained by Consultant, order the Consultant 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, Consultant 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 Consultant does not make the request or does not provide the certificate before the expiration of the six-month period, Consultant agrees that the County may order the Consultant 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 Consultant will perform an assessment of the Cave Rock Water Treatment Plant and its standard operating procedure. More specifically, Consultant will complete the tasks set forth in the scope of work, included as Exhibit A, which is attached hereto and incorporated herein by reference.

5. PAYMENT FOR SERVICES. Consultant agrees to provide the services set forth in Paragraph 4 on a time and materials cost, as set forth in Exhibit B, which is attached hereto and incorporated herein by reference, for a total cost that is not to exceed Forty-Five Thousand, Five Hundred Dollars (\$45,500) (the "Contract Price"). Unless Consultant has received a written exemption from the County, Consultant 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, Consultant 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. Invoices are due and payable within 45 days of receipt. In the event of a disputed billing, only the disputed portion will be withheld from payment and County shall pay the undisputed portion. County will exercise reasonableness in disputing any bill or portion thereof.

6. TERMINATION OF CONTRACT. Either Party may terminate the Contract if the other 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. Provided, however, that except as otherwise set forth in this Contract, early termination will not relieve a Party of any obligation that became due prior to the date of termination.

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 Consultant 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 Consultant 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 Consultant. Consultant 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. The Contract and its Exhibits are intended to be complimentary to one another and shall, as much as reasonable be read as such. To the extent that there is an irreconcilable conflict between this Contract and any exhibit, the following order of precedence shall apply: first the contract document, second Exhibit A, and third Exhibit B. 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. Consultant 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. Consultant 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 Consultant 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. Consultant will maintain accounting records, in accordance with generally accepted accounting principles. Consultant will maintain the records for no less than the minimum period of time required by law; these records will be available to County for a period of 2 years after payment of Consultant's final invoice. County may only audit Consultant's accounting records related to Services that are structured as cost-reimbursable—as opposed to lump sum.

12. DISPOSITION OF CONTRACT MATERIALS. Any books, reports, studies, photographs, negatives or other documents, data, drawings or other materials prepared by or supplied to Consultant 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 Consultant's expense, to the County by Consultant upon the completion, termination or cancellation of the contract. Alternatively, if the County provides its written approval to Consultant, the Materials must be retained by Consultant for a minimum of six years after Consultant'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 Consultant will promptly remit and deliver the materials, at Consultant's expense, to the County. Unless the County has requested the remittance and delivery by Consultant of the Materials, Consultant will not use, willingly allow or cause to have such Materials used for any purpose other than the performance of Consultant's obligations under the terms of the Contract without the prior written consent of the County.

13. PUBLIC RECORDS LAW. Consultant expressly understands and agrees that all documents submitted, filed, or deposited with the County by Consultant, 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. Consultant 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. Consultant 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 Consultant's negligent performance pursuant to the terms of the Contract by Consultant or Consultant'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. Consultant will perform all services in a manner consistent with that level of care and skill ordinarily exercised by other members of Consultant's profession currently practicing in the same locality under similar conditions.

18. WAIVER OF LIEN. Consultant 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 Consultant 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 Consultant 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 Consultant: | CH2M HILL Engineers, Inc. Jerry Dehn |

2525 Airpark Drive
Redding, CA 96001
Telephone: 530-229-3447

21. CONFLICT OF INTEREST. By signing the Contract, Consultant 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. Consultant must notify Douglas County of any other contracts or projects Consultant is working on that may impact Douglas County.

22. CHANGES. County may make or approve changes within the general Scope of Work in this Contract. If such changes affect Consultant's cost of or time required for performance of the services, an equitable adjustment will be made through an amendment to this Contract.

23. FORCE MAJEURE. In the event Consultant is delayed in performance of services by any act or neglect of County or anyone for whom County is responsible or by Acts of God, strikes, lockouts, or other events beyond the control of Consultant, then Consultant's compensation and the schedule for this Contract shall be equitably adjusted. In the event delays to the services are encountered for any reason, the parties agree to undertake reasonable steps to mitigate the effect of such delays.

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: 

9/5/18

(Date)

BRET ISBELL / DESIGNATED MANAGER
Name/Title

Douglas County, Nevada

By: 

8/29/18

Larence A. Werner, County Manager

(Date)

EXHIBIT A

Scope of Work for the Cave Rock Water Treatment Plant Operations Assessment

Prepared for
Douglas County Public Works

August 2018

ch2m:
2525 Airpark Drive
Redding, CA 96001

Exhibit A: Scope of Work for the Cave Rock Water Treatment Plant Operations Assessment

This exhibit is to the Agreement, between CH2M HILL ENGINEERS, Inc. (Consultant), and Douglas County Public Works (DCPW, County), for engineering and consulting services related to assessing operations at the Cave Rock Water Treatment Plant (Cave Rock WTP) related to two distinct failures resulting in DCPW issuing boiled water orders to its system users. The official name for the project will be the Cave Rock WTP Operations Assessment Project, hereinafter referred to as the "Project."

Introduction

Douglas County, Nevada owns and operates numerous water and wastewater systems in Carson Valley and Lake Tahoe Nevada. In total, these systems include over 60 active water sites (23 tanks, 18 production wells, 15 pump stations, and 5 water treatment plants) located in Carson Valley and Lake Tahoe and 16 active wastewater sites (14 lift stations and 2 wastewater treatment plants) located in Carson Valley. During the summer of 2018, two distinct operational failures occurred. Although system water quality was likely maintained before, during and after each event, the failures required DCPW to issue boiled water orders to potable water system users.

DCPW would like to determine the cause of each of these two failures, determine if the Cave Rock WTP is susceptible to similar failures in the future, and implement mitigation measures against future failures. This exhibit presents Consultant's scope of work, preliminary schedule, and budget for the Cave Rock WTP Operations Assessment aimed at addressing these noted failures.

Consultant's Scope of Work

Task 1 - Project Management

Consultant will initiate and manage project activities, schedule, and plan work to complete activities in a properly integrated and timely manner. Project management activities will include Progress Monitoring, Team Coordination, Consultant Team Health and Safety stewardship, and Project Administration.

Task 1 Deliverables:

- Field Safety Instructions for Consultant staff
- Monthly project billings showing labor hours by staff member and by task

Task 2 – Data Gathering and Project Kickoff Meeting

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

Subtask 2.1 - Data Gathering and Review

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

Consultant will compile a document request. DCPW is expected to provide relevant documents within one week of the delivery of the document request. Consultant 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

Subtask 2.2 – Project Kickoff Meeting, Site Tour, and Staff Interviews

Consultant will facilitate a kickoff meeting, Workshop #1, at the Cave Rock WTP office to define the desired outcomes for the project. Following the initial kickoff meeting, DCPW operations and SCADA staff will conduct a tour of the Cave Rock WTP facilities and verbally describe the operation of each unit process and key interdependencies with other unit process at the WTP. Upon completion of the site tour, Consultant will conduct individual or small group interviews with DCPW operations and SCADA staff to gain additional insight into operational failures, challenges, and perceived system needs.

Consultant will obtain a copy of the plant SCADA system software, including the data history to assist in diagnoses of any potential instrumentation and control issues.

It is expected that the kickoff meeting, site tour, and staff interviews will last four to six hours and will be attended by two to three members of Consultant's staff.

Task 2 Deliverables: Consultant will prepare a trip report inclusive of kickoff meeting notes and information obtained during staff interviews.

Task 3 – Review and Initial Assessment

Consultant will review documentation gathered and information shared during the site visit. Consultant will use this information to attempt to determine root cause(s) of the recent failures. Leveraging knowledge from other operating sites, Consultant will develop potential measures to be implemented to mitigate similar failures in the future.

Consultant will conduct Workshop #2 with DCPW at the Cave Rock WTP to review the assessment and recommended mitigation measures.

It is expected that Workshop #2 will last two to four hours and will be attended by two to three members of Consultant's staff.

Task 4 – Recommendations Report

Consultant will develop a technical memorandum (TM) incorporating final recommendations for mitigating potential failures. The TM will include discussion and opinions expressed during Workshop #2 and further development of the initial recommendations developed under Task 3. Consultant will issue a draft TM for DCPW

review. DCPW will provide review comments within one week of delivery of the draft document. Consultant will incorporate comment from DCPW and issue a final TM.

Schedule

| Milestone | Target Start | Target Finish | Maximum Duration |
|---|--------------|---------------|------------------|
| Task 1 - Project Management | 9/4/18 | 11/16/18 | 54 days |
| Task 2 - Data Gathering and Project Kickoff Mtg | 9/4/18 | 9/21/18 | 14 days |
| Task 3 - Review and Initial Assessment | 9/24/18 | 10/26/18 | 25 days |
| Task 4 - Recommendations Report | 10/24/18 | 11/6/18 | 10 days |

All work under this Agreement is expected to be completed by November 16, 2018. If the work is delayed beyond the reasonable control of Consultant, Consultant reserves the right to request a scope, schedule and fee modification for additional administrative and support time.

Compensation

Compensation for services described herein will be on a time and expense basis using the billing rates specified in Exhibit B. The amount invoiced each month will be based on actual hours of labor and expenses expended. Each invoice will include a listing of the charges applicable to each of the 4 Tasks noted herein. For services enumerated in Tasks 1 through 4, the total estimated fee is \$45,500 plus applicable sales, use, value-added, business transfer, gross receipts, or other similar taxes. This total fee will not be exceeded without prior authorization from the County. The County is not obligated to compensate the Consultant for work beyond the authorized budgets nor is the Consultant obligated to incur costs that exceed the authorized budgets.

Exhibit B

2018 CH2M HILL Per Diem Rate Schedule
for
Cave Rock Water Treatment Plant
Operations Assessment
Hourly Billing Rates

| <u>Classification</u> | <u>2018 Rate</u> |
|---|------------------|
| Principal Technologist*/Principal Project Manager | \$240 |
| Sr. Technologist*/Sr. Project Manager | \$225 |
| Senior Project Engineer* | \$205 |
| Project Engineer* | \$185 |
| Associate Engineer* | \$165 |
| Staff Engineer 2* | \$144 |
| Staff Engineer 1* | \$123 |
| Engineering Tech 5 | \$150 |
| Engineering Tech 4 | \$135 |
| Engineering Tech 3 | \$117 |
| Engineering Tech 2 | \$107 |
| Engineering Tech 1 | \$95 |
| Office/Clerical/Accounting | \$85 |

* 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 during the expected period of performance of this contract. Rate increases will go into effect for any work performed beyond September 30, 2019.

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

18th day of April, 2018

By [Signature] Deputy