

**AGREEMENT
BETWEEN
CITY OF SAUSALITO
AND
VALI COOPER & ASSOCIATES, INC.**

Date: October 22, 2007

Project: 2006 Street Rehab Project, Including Spencer Avenue Rehab

CLIENT: **City of Sausalito**
420 Litho Street
Sausalito, CA

Client Manager: Todd Teachout

CONSULTANT: **Vali Cooper & Associates, Inc.**
41 Washington Ave.
Pt Richmond, CA 94801
(510) 215-0264

Consultant Manager: John Collins P.E.

Exhibits: Exhibit A – Scope of Services
Exhibit B – Cost Proposal

1. Scope of Services

CONSULTANT shall provide professional services for construction services for the 2006 Street Rehab Project, Including Spencer Avenue Rehab in accordance with Exhibit A, "Scope of Services".

2. Terms of Compensation and Payment

For the services performed in accordance with the Scope of Services defined above, CLIENT agrees to compensate in accordance with Exhibit B, "Cost Proposal", unless this Agreement is amended in writing. Notwithstanding the foregoing in no event shall the amount paid to Consultant under this agreement exceed the amount of Fifteen Thousand Dollars (\$15,000) without approval of the City Council of the Client.

CONSULTANT shall submit monthly invoices to CLIENT. CLIENT will pay CONSULTANT the amount due for services rendered and expenses incurred within thirty (30) calendar days from date of invoice. Payment for undisputed work that is not received within forty five (45) days will be subject to interest at the legal rate specified in Public Contract Code Section 10261.5 and the Code of Civil Procedures Section 685.010.

3. Entire Agreement

This Agreement contains the entire Agreement between CLIENT and CONSULTANT relating to the project and the provisions of services to the project. Any prior agreements, promises, negotiations or representations not expressly set forth in this Agreement are of no force or effect. Subsequent modifications to this Agreement shall be in writing and signed by both CLIENT and CONSULTANT.

4. Insurance

Consultant shall procure and maintain in effect insurance coverage in amounts set forth below.

- (a) *Workers' Compensation and Employer's Liability:* as required by the laws of the State of California.

- (b) *General Liability*: commercial general liability in the amount of \$1,000,000.00 per claim and policy aggregate.
- (c) *Automobile Liability*: \$1,000,000.00 per accident for bodily injury and property damage.
- (d) *Professional Liability*: \$1,000,000.00 per claim and policy aggregate.
- (e) *Certificates*: CONSULTANT shall provide certificate of insurance evidencing coverage required above.

The liability policy(ies) are to contain, or be endorsed to contain, the following provisions:

The City, its officers, elected and appointed officials, employees, contractors and agents must be named as a Named Insured under the coverage afforded with respect to the work being performed under the Agreement.

5. Indemnification

CONSULTANT agrees to indemnify and hold harmless CLIENT, its elected and appointed officials, officers, employees, agents from and against claims, losses, damages, or costs, including reasonable attorney fees, to the extent in fact arising out of the negligent act, error or omission of the CONSULTANT, its officers and employees, in the rendering of or failure to render professional services under this Agreement.

CLIENT agrees to indemnify and hold harmless CONSULTANT, its officers and employees from and against claims, losses, damages, or costs, including reasonable attorneys fees, to the extent in fact arising out of the negligent act, error or omission of the CLIENT, its officers and employees, or any person acting for the CLIENT or under its control or direction under this Agreement.

6. Independent Contractor

CONSULTANT shall perform services as an independent contractor and shall perform the services provided for in this Agreement in accordance with generally accepted standards of professional practice, similar in nature and under similar circumstances in the county, in effect at the time of performance.

Contractor shall obtain a City of Sausalito Business license.

7. Reasonable Care

The CONSULTANT and CLIENT agree to use reasonable care and diligence to perform their respective services under this Agreement. Neither party shall be responsible for the services of the other or any subcontractor or sub-consultant employed by the other party.

8. Safety

Neither the professional activities of consultant, nor the presence of Consultant's employees or sub-consultants at the construction/project site(s), shall relieve the General Contractor(s) of their obligations, duties and responsibilities including, but not limited to, construction means, methods, sequence, techniques or procedures necessary for performing, superintending and coordinating the Work in accordance with the contract documents and any health or safety precautions required by any regulatory agencies. The Client agrees that the General Contractor(s) is solely responsible for job site safety, and warrants that this intent shall be carried out in the Client's agreement with the General Contractor(s). The Client also agrees that the Client, Consultant and its sub-consultants shall be indemnified and shall be made additional insured under each of the General Contractor's general liability insurance policies. Given the foregoing, Client shall to the fullest extent permitted by law, waive any claim against Consultant, and indemnify, defend and hold Consultant harmless from any claim or liability for injury of loss arising from Consultant's alleged failure to exercise site safety responsibility.

9. Successors and Assigns

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of CLIENT and CONSULTANT.

10. Assignment of Transfer

CLIENT or CONSULTANT shall not assign or transfer, either directly or by operation of law, this Agreement or any interest herein without prior written consent of the CLIENT and CONSULTANT.

11. Termination

CLIENT may terminate Agreement for with or without cause with 15 days written notice.

CLIENT and CONSULTANT may terminate Agreement for cause upon 15 days written notice.

CLIENT shall compensate CONSULTANT for performance of services through the period prior to termination.

12. Severability

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall remain in full force and effect and are binding on CLIENT and CONSULTANT

13. Construction; References; Captions

The language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against CLIENT or CONSULTANT. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Agreement.

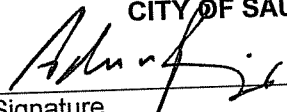
14. Governing Laws

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

SIGNATURES

IN WITNESS WHEREOF, this Agreement has been executed by CLIENT and CONSULTANT effective from the date first written above.

EXECUTED FOR
CITY OF SAUSALITO



Signature

EXECUTED FOR
VALI COOPER & ASSOCIATES, INC.



Signature

ADAM M. POLITZER

Name & Title

Sybil Judd-White Chief Financial Officer
Risk Manager

Name & Title

10-22-07

Date

10-22-07

Date

EXHIBIT A

SCOPE OF SERVICES

The following is description of the scope of services Vali Cooper & Associates will perform for the construction management assignment for the 2006 Street Rehab Project, Including Spencer Avenue Rehab for the City of Sausalito.

Pre Construction Services

- ◆ A complete site assessment to get familiar with the construction area is essential to effectively prepare our project personnel for the construction. VC&A will review the project plans, specifications, permits, design documents and other project specifics prior to construction.
- ◆ Documenting the site prior to construction is essential. Good documentation can help mitigate disputes between the City, contractor and property owners within or adjacent to the project limits. Our documentation includes photographs and videos of the construction site. This information is logged and filed with the project files. Special attention will be given to sensitive areas.
- ◆ VC&A will meet with the appropriate representatives from the City, permitting and regulatory agencies, and local public services impacted by the project. Parameters to discuss and determine include:
 - Project filing system
 - Lines of communication
 - Levels of authorization
 - Procedures for progress payments
 - Procedures for contract change orders
 - Potential claim management
 - Project emergency procedures
 - Local emergency services notification and access
 - Public interaction highlights

CM/Inspection Services

- ◆ The general responsibility of the CM services that VC&A will provide is to serve as the focal point for all coordination and communications for the construction of the project. This includes, but is not limited to the following:
 - Tracking incoming and outgoing correspondence
 - Maintaining a filing system acceptable by the City for all project documents
 - Tracking and checking Certified Payrolls
 - Tracking Preliminary Notices and Liens and assuring corresponding releases prior to project acceptance
 - Public Relations with the community, including work schedule and utility disruptions during work
 - Tracking all applicable Permits
 - Coordination with utility companies
 - Review and distribution of Submittals and shop drawings and the related approvals
 - Tracking RFI's and the related responses
 - Tracking of the Contractor's Schedule including review and distribution to interested parties
 - Running weekly construction meetings
- ◆ All field inspections are documented on daily diaries in accordance with the City's procedures. Field activities associated with the project include:
 - Monitoring the contractor's work for general conformance with the plans and specifications
 - Documenting the progress of the work with daily diaries and photographs
 - Carefully monitoring contract change order work in the field
 - Measuring and calculating quantities
 - Coordinating material testing
 - Reviewing and logging materials test results and addressing non-conforming tests
 - Assisting the resident engineer with filing and other job related paper work
 - Coordinating and conducting final inspections
 - Maintaining As-Built plans throughout the project construction period

- ◆ VC&A will develop a system for tracking and monitoring the actual construction costs on a project. It can include spreadsheets to track progress pay estimates, item overruns and underruns, and contract change orders. These forms can be tailored to meet your procedures.
- ◆ VC&A will prepare the monthly progress payments, including backup documentation, and negotiate with the contractor for concurrence. VC&A will record in the daily diaries item and change order work accomplished each day. For the progress payment, VC&A will prepare "Q-sheets" (quantity sheets) for his items of work and an independent check will be performed to verify that the calculations and payment quantity are correct.
- ◆ Prior to construction, procedures and authority for contract change order approval shall be established with the City. VC&A will assess the need for contract change orders, analyze costs and schedule impacts, negotiate time and costs, and prepare them based on drawings, specifications and other design information, obtain appropriate concurrence and prepare change order reports. VC&A will forward all change orders to the City's project manager for review and approval. Change orders will be tracked and administered through a system approved by the City. Total change order authorizations will be tracked in budgeting spreadsheets to monitor overall construction budget authorizations and contingency balance. Potential costs, such as additional compensation claims, are tracked for budgeting purposes until resolution.
- ◆ Potential claims are administered by:
 - Tracking timely notice from the contractor of potential claims
 - Coordinating and monitoring all potential claims
 - Maintaining a separate project file for each potential claim
 - Writing thorough and accurate daily diaries with notations regarding delays, equipment and personnel on site, including idle time, production rates, field constructibility problems, conversations, field agreements made and quantity of work performed
 - Documenting the issue with photographs and/or videos
 - Monitoring the contractor's schedule for durations and delays
 - Proactive problem solving to minimize delays and negative impacts to the project

The intent is to resolve the issues at the lowest possible level. The City will be kept apprised of all potential claims and the potential cost impact to the project. VC&A will identify whether the claim has merit and make a recommendation to the City.

Post-Construction Services

A project is only truly completed when all the construction is complete, including the punchlist items, the final payment is approved and accepted, and the project paperwork is completed and archived. The schedule for this part of the process is as sensitive as any and must be attended to efficiently. The tasks include:

- ◆ Performing a project walk-through with the City and developing a punchlist of remaining items of work after contractor is substantially completed with the work
- ◆ Following through with the contractors completion of punchlist items
- ◆ Conducting a final project review with the City and other agencies that must accept the work. Upon satisfactory completion, VC&A submits a formal recommendation for project acceptance based on our best knowledge and belief that the project is completed in accordance with the plans and specifications.
- ◆ Preparing the proposed final payment, addressing the contractor's exceptions and submitting final payment requests in the time-frame required by law
- ◆ A final submittal package of all field records is submitted to the owner in an organized manner. Along with the records, a project completion report is prepared which includes:
 - ⇒ A summary of change orders and potential claims
 - ⇒ A summary of the materials tested and incorporated into the work
 - ⇒ Final project schedule
 - ⇒ Final project expenditures
 - ⇒ Summary of final acceptance
 - ⇒ As-built drawings

EXHIBIT B Staffing Plan & Cost Proposal

for
Construction Administration and Inspection Services

for the

City of Sausalito's

2006 Street Rehab Project, Including Spencer Avenue Rehab

October 22, 2007

TASK	STAFF	ROLE	2007			2008			Total Hours	Hourly Rate	Cost
			Oct	Nov	Dec	Jan	Feb	Mar			
1 - Pre-Construction Services	Bob Klein	Inspector	57					57	\$105	\$5,985	
2 - CM/Inspection Services	Bob Klein	Inspector			85			85	\$105	\$8,925	
	Bob Klein	Inspector - OT							\$127		
3 - Post-Construction Services	Bob Klein	Inspector						0	\$105	\$0	
TOTAL											\$14,910

Assumptions Used:

1. Assume construction starts in Mid-October '07 and ends in Late-December '07.
2. Assume 40-hour work week with no overtime.
3. VC&A is willing to work with the City of Sausalito regarding level of staffing to meet budget requirements.
4. Assume no delays to construction or contract time extensions.

Notes:

1. All rates include base pay, fringe benefits, actual audited overhead, fee and basic field equipment including vehicles, cell phones, safety gear and hand tools.
2. All hours are billed in conformance to the California Labor Code and prevailing wage requirements.
3. Client will be billed only for hours worked.
4. Contract time may be extended by weather or unforeseen delays that arise during construction. Cost proposal may need to be re-visited should this occur.

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/26/2007

PRODUCER
Diversified Risk Insurance Brokers
License #0529776
5900 Christie Avenue
Emeryville, CA 94608
(510) 547-3203

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
Vali Cooper & Associates, Inc.
41 Washington Avenue
Point Richmond, CA 94801

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: OneBeacon America Insurance Co.	
INSURER B: Hartford Fire Insurance Co.	
INSURER C: American Guarantee & Liability	
INSURER D: Travelers Indemnity Co. of Connecticut	
INSURER E: Zurich American Insurance Company	

COVERAGES
THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	X	GENERAL LIABILITY	718009766-0000	12/30/2006	12/30/2007	EACH OCCURRENCE	\$ 1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$ 10,000
		<input checked="" type="checkbox"/> "X" "C" "U"				PERSONAL & ADV INJURY	\$ 1,000,000
		<input checked="" type="checkbox"/> Severability of Interest				GENERAL AGGREGATE	\$ 2,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER:				PRODUCTS - COMP/OP AGG	\$ 2,000,000
		<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					
B	X	AUTOMOBILE LIABILITY	57UENUL9636	12/30/2006	12/30/2007	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
		<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
		<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
		<input checked="" type="checkbox"/> HIRED AUTOS				PROPERTY DAMAGE (Per accident)	\$
		<input checked="" type="checkbox"/> NON-OWNED AUTOS				AUTO ONLY - EA ACCIDENT	\$
		GARAGE LIABILITY				OTHER THAN AUTO ONLY:	EA ACC \$
		<input type="checkbox"/> ANY AUTO				AGG \$	
C	X	EXCESS/UMBRELLA LIABILITY	AUC591803101	12/30/2006	12/30/2007	EACH OCCURRENCE	\$ 5,000,000
		<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$ 5,000,000
		<input type="checkbox"/> DEDUCTIBLE					\$
		RETENTION \$					\$
D	X	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	PEUB110D506006	12/30/2006	12/30/2007	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	\$ 1,000,000
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
		OTHER				E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
E		Professional Liability	EOC9142055-00	12/30/2006	12/30/2007	Per Claim:	5,000,000
E		See remarks on next page.	EOC9142055-00	12/30/2006	12/30/2007	Aggregate:	5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
In the event of cancellation for non-payment of premium, a 10 day notice will apply.
City of Sausalito, its officers, elected and appointed officials, employees is named as additional insured (Gen. & Auto Liab.), if required by written contract/agreement, per attached OneBeacon America Additional Insured endorsement, and CA2048 0299.

RECEIVED CANCELLATION

CERTIFICATE HOLDER
City of Sausalito
Attn: Todd Teachout
420 Litho Street
Sausalito, CA 94965-

OCT 29 2007
CITY OF SAUSALITO
COMMUNITY DEVELOPMENT DEPT

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Dina Akhemi

REMARKS

For Professional Liability coverage, the Aggregate Limit is the total insurance available for all covered claims reported within the policy period. A \$35,000 deductible applies to each and every claim submitted under the policy.

11/11/2011
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11/11/2011

POLICY #: 718009766-0000
INSURED: Vali Cooper & Associates, Inc.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. WHO IS AN INSURED – (Section II) is amended to include as an additional insured any person or organization you are required to add as an additional insured under this policy in a written contract or written agreement in effect during this policy period and signed and executed by you prior to the loss for which coverage is sought. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization. The person or organization is only an additional insured with respect to liability for “bodily injury”, “property damage” or “personal and advertising injury” caused by “your work” performed under the written contract or written agreement.
2. The insurance provided to the additional insured is limited as follows:
 - a) This endorsement shall not increase the limits stated in Section III – LIMITS OF INSURANCE.
 - b) The insurance provided to the additional insured does not apply to “bodily injury”, “property damage”, or “personal and advertising injury” arising out of an architect’s, engineer’s or surveyor’s rendering of or failure to render any professional services including:
 - I. The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
 - II. Supervisory or inspection activities performed as part of any related architectural or engineering activities.
3. Subpart (1)(a) of the Pollution exclusion (Section I – Coverages, part 2. f. of the Commercial General Liability Coverage form) does not apply to you if the “bodily injury” or “property damage” arises out of “your work” performed on premises which are owned or rented by the additional insured at the time “your work” is performed.
4. Any coverage provided by this endorsement to an additional insured shall be excess over any other valid and collectible insurance available to the additional insured whether primary, excess, contingent or on any other basis unless a written contract or written agreement in effect during this policy period and signed and executed by you prior to the loss for which coverage is sought specifically requires that this insurance apply on a primary or non-contributory basis.
5. As a condition of coverage, each additional insured must:
 - a) Give us prompt written notice of any “occurrence” or offense which may result in a claim and prompt written notice of “suit”.
 - b) Immediately forward all legal papers to us, cooperate in the defense of any actions, and otherwise comply with policy conditions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED

This endorsement modifies insurance provided under the following:

- BUSINESS AUTO COVERAGE FORM
- GARAGE COVERAGE FORM
- MOTOR CARRIER COVERAGE FORM
- TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective:	12/30/2006
Named Insured:	Vali Cooper & Associates, Inc.

SCHEDULE

Name of Person(s) or Organization(s): Any person or organization with whom you agreed, pursuant to a written contract or written agreement to provide insurance such as is afforded under this policy.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to the endorsement.)

Each person or organization shown in the Schedule is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in **Section II** of the Coverage Form.

Subject to all other terms and provisions of the policy, such insurance as provided by this endorsement shall be deemed primary, but only with respect to work performed by or for the named insured in connection with the above described contract. Any other insurance maintained by the Additional Insured(s) shall be excess and non-contributory.

EXHIBIT B Staffing Plan & Cost Proposal

for
Construction Administration and Inspection Services

for the

City of Sausalito's

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2 - CM/Inspection Services	Bob Klein	Inspector		80	80			160	\$105	\$16,800	
	Bob Klein	Inspector - OT							\$127		
3 - Post-Construction Services	Bob Klein	Inspector				40		40	\$105	\$4,200	
TOTAL											\$29,925

Assumptions Used:

1. Assume construction starts in Mid-October '07 and ends in Late-December '07.
2. VC&A is willing to work with the City of Sausalito regarding level of staffing to meet budget requirements.
3. Assume no delays to construction or contract time extensions.

Notes:

1. All rates include base pay, fringe benefits, actual audited overhead, fee and basic field equipment including vehicles, cell phones, safety gear and hand tools.
2. All hours are billed in conformance to the California Labor Code and prevailing wage requirements.
3. Client will be billed only for hours worked.
4. Contract time may be extended by weather or unforeseen delays that arise during construction. Cost proposal may need to be re-visited should this occur.

* Amount not to exceed \$15,000 without approval of the City Council of the City of Sausalito