



AGENDA REPORT

Meeting Date: August 16, 2016
Item Number: D-13
To: Honorable Mayor & City Council
From: Raj Patel, Community Development Assistant Director
Subject:
AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND VS2 CONSULTING INC. TO PROVIDE AS-NEEDED PROFESSIONAL ENGINEERING CONSULTING SERVICES; AND

APPROVAL OF A PURCHASE ORDER IN THE AMOUNT OF \$100,000 PER FISCAL YEAR AND A TOTAL NOT-TO-EXCEED AMOUNT OF \$300,000 OVER THE TERM OF THE AGREEMENT

Attachments: 1) Agreement

RECOMMENDATION

Staff recommends that the City Council approve an agreement with VS2 Consulting Inc. to provide as-needed professional engineering consulting services. Staff is also recommending that City Council approve a purchase order for a total not-to-exceed amount of \$100,000 per fiscal year and a total not-to-exceed amount of \$300,000 over the term of this three-year agreement.

INTRODUCTION

VS2 Consulting Inc. is a Los Angeles professional engineering consulting firm with extensive experience providing as-needed support to municipalities within Los Angeles County including the City of Beverly Hills, City of Los Angeles, and the City of Long Beach. VS2 Consulting was selected based on their combined qualifications and experience possessed by its licensed professional staff with more than 15 years of relevant experience in roadway, utility, drainage and grading design, and the preparation of plans and specifications for public works projects. Moreover, they possess a unique combination of engineering acumen and Beverly Hills experience that will serve the City well.

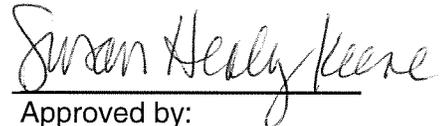
DISCUSSION

One of the many functions of the Community Development Department is to provide plan review services for all new development and renovation projects within the City. With the increase of development activities in the City, the department is seeking the expertise of VS2 Consulting Inc to augment its current plan review engineering staff in the review of various off-site civil engineering work, on-site drainage, grading, shoring, and excavation type of work for compliance with the Beverly Hills Municipal Code and applicable state and federal laws. This scope of work may also be expanded to help coordinate concurrent private and public off-site construction projects.

Staff is requesting approval of this three-year agreement with the consideration amount of not-to-exceed \$300,000 with a not to exceed amount of \$100,000 per year until fiscal year 2018-19. In addition, staff is requesting that a purchase order be approved for a not-to-exceed \$100,000 to be used during fiscal year 2016-17.

FISCAL IMPACT

The cost to perform these professional engineering consulting services has been approved as an ongoing annual expenditure in the Council-approved budget for Community Development Department. Funds requested are offset by revenues collected from developers' engineering plan check and permit fees. No appropriation is requested.



Approved by:
SUSAN HEALY KEENE, AICP
Community Development Director

Attachment 1

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
VS2 CONSULTING INC. TO PROVIDE AS-NEEDED
PROFESSIONAL ENGINEERING CONSULTING SERVICES

NAME OF CONSULTANT: VS2 Consulting Inc.

RESPONSIBLE PRINCIPAL OF CONSULTANT: Sean P. Vargas, Principal

CONSULTANT'S ADDRESS: 1048 Fortune Way
Los Angeles, CA 90042
Attention: Sean P. Vargas, Principal

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Susan Healy Keene, AICP,
Director of Community Development
Department

COMMENCEMENT DATE: August 16, 2016

TERMINATION DATE: August 16, 2019

CONSIDERATION: Fiscal Year 2016/2017 not to exceed
\$100,000.

Fiscal Year 2017/2018 not to exceed
\$100,000.

Fiscal Year 2018/2019 not to exceed
\$100,000.

For a total not to exceed amount of
\$300,000, at the rates set forth in Exhibit B.

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
VS2 CONSULTING INC. TO PROVIDE AS-NEEDED
PROFESSIONAL ENGINEERING CONSULTING SERVICES

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and VS2 Consulting Inc. (hereinafter called "CONSULTANT").

RECITALS

A. CITY desires to have certain services and/or goods provided as set forth in Exhibit A (the "Scope of Work"), attached hereto and incorporated herein.

B. CONSULTANT represents that it is qualified and able to perform the Scope of Work.

NOW, THEREFORE, the parties agree as follows:

Section 1. CONSULTANT's Scope of Work. CONSULTANT shall perform the Scope of Work described in Exhibit A in a manner satisfactory to CITY and consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. CITY shall have the right to order, in writing, changes in the Scope of Work. Any changes in the Scope of Work by CONSULTANT must be made in writing and approved by both parties. The cost of any change in the Scope of Work must be agreed to by both parties in writing.

Section 2. Time of Performance. CONSULTANT shall commence its services under this Agreement upon the Commencement Date or upon a written receipt of a notice to proceed from CITY. CONSULTANT shall complete the performance of services by the Termination Date set forth above and/or in conformance with the project timeline established by the City Manager or his designee.

Section 3. Compensation.

(a) Compensation

CITY agrees to compensate CONSULTANT for the services and/or goods provides under this Agreement, and CONSULTANT agrees to accept in full satisfaction for such services, a sum not to exceed the Consideration set forth above and more particularly described in Exhibit B, attached hereto and incorporated herein, based on the hourly rates set forth in Exhibit B.

(b) Expenses

CONSULTANT shall be entitled to reimbursement only for those expenses expressly set forth in Exhibit B. Any expenses incurred by CONSULTANT which are not expressly authorized by this Agreement will not be reimbursed by CITY.



(c) Additional Services. CITY may from time to time require CONSULTANT to perform additional services not included in the Scope of Services. Such requests for additional services shall be made by CITY in writing and agreed upon by both parties in writing.

Section 4. Method of Payment. CITY shall pay CONSULTANT said Consideration in accordance with the method and schedule of payment set forth in Exhibit B.

Section 5. Independent Contractor. CONSULTANT is and shall at all times remain, as to CITY, a wholly independent contractor. Neither CITY nor any of its agents shall have control over the conduct of CONSULTANT or any of CONSULTANT's employees, except as herein set forth. CONSULTANT shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

Section 6. Assignment. This Agreement shall not be assigned in whole or in part, by CONSULTANT without the prior written approval of CITY. Any attempt by CONSULTANT to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

Section 7. Responsible Principal(s)

(a) CONSULTANT's Responsible Principal set forth above shall be principally responsible for CONSULTANT's obligations under this Agreement and shall serve as principal liaison between CITY and CONSULTANT. Designation of another Responsible by CONSULTANT shall not be made without prior written consent of CITY.

(b) CITY's Responsible Principal shall be the City Manager or his designee set forth above who shall administer the terms of the Agreement on behalf of CITY.

Section 8. Personnel. CONSULTANT represents that it has, or shall secure at its own expense, all personnel required to perform CONSULTANT's Scope of Work under this Agreement. All personnel engaged in the work shall be qualified to perform such Scope of Work.

Section 9. Permits and Licenses. CONSULTANT shall obtain and maintain during the Agreement term all necessary licenses, permits and certificates required by law for the provision of services under this Agreement, including a business license.

Section 10. Interests of CONSULTANT. CONSULTANT affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the Scope of Work contemplated by this Agreement. No person having any such interest shall be employed by or be associated with CONSULTANT.

Section 11. Insurance.

(a) CONSULTANT shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

(1) A policy or policies of Comprehensive General Liability Insurance, with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by CONSULTANT.

(2) A policy or policies of Comprehensive Vehicle Liability Insurance covering personal injury and property damage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence combined single limit, covering any vehicle utilized by CONSULTANT in performing the Scope of Work required by this Agreement.

(3) Workers' compensation insurance as required by the State of California.

(4) Professional Liability Insurance

A policy or policies of Professional Liability Insurance (errors and omissions) with minimum limits of One Million Dollars (\$1,000,000) per claim and in the aggregate. Any deductibles or self-insured retentions attached to such policy or policies must be declared to and be approved by CITY. Further, CONSULTANT agrees to maintain in full force and effect such insurance for one year after performance of work under this Agreement is completed.

(b) CONSULTANT shall require each of its sub-consultants to maintain insurance coverage which meets all of the requirements of this Agreement.

(c) The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

(d) CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, CITY may take out the necessary insurance and pay, at CONSULTANT's expense, the premium thereon.

(e) At all times during the term of this Agreement, CONSULTANT shall maintain on file with the City Clerk a certificate or certificates of insurance on the form set forth in Exhibit C, attached hereto and incorporated herein, showing that the aforesaid policies are in effect in the required amounts. CONSULTANT shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The general liability insurance shall contain an endorsement naming the CITY as an additional insured. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days prior written notice to CITY, and specifically stating that the coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

(f) The insurance provided by CONSULTANT shall be primary to any coverage available to CITY. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

(g) Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

Section 12. Indemnification. CONSULTANT agrees to indemnify, hold harmless and defend CITY, City Council and each member thereof, and every officer, employee and agent of

CITY, from any claim, liability or financial loss (including, without limitation, attorneys fees and costs) arising from any intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONSULTANT or any person employed by CONSULTANT in the performance of this Agreement.

Section 13. Termination.

(a) CITY shall have the right to terminate this Agreement for any reason or for no reason upon five calendar days' written notice to CONSULTANT. CONSULTANT agrees to cease all work under this Agreement on or before the effective date of such notice.

(b) In the event of termination or cancellation of this Agreement by CITY, due to no fault or failure of performance by CONSULTANT, CONSULTANT shall be paid based on the percentage of work satisfactorily performed at the time of termination. In no event shall CONSULTANT be entitled to receive more than the amount that would be paid to CONSULTANT for the full performance of the services required by this Agreement. CONSULTANT shall have no other claim against CITY by reason of such termination, including any claim for compensation.

Section 14. CITY's Responsibility. CITY shall provide CONSULTANT with all pertinent data, documents, and other requested information as is available for the proper performance of CONSULTANT's Scope of Work.

Section 15. Information and Documents. All data, information, documents and drawings prepared for CITY and required to be furnished to CITY in connection with this Agreement shall become the property of CITY, and CITY may use all or any portion of the work submitted by CONSULTANT and compensated by CITY pursuant to this Agreement as CITY deems appropriate.

Section 16. Records and Inspections. CONSULTANT shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years. CITY shall have access, without charge, during normal business hours to such records, and the right to examine and audit the same and to make copies and transcripts therefrom, and to inspect all program data, documents, proceedings and activities.

Section 17. Notice. Any notices, bills, invoices, etc. required by this Agreement shall be deemed received on (a) the day of delivery if delivered by hand during the receiving party's regular business hours or by facsimile before or during the receiving party's regular business hours; or (b) on the second business day following deposit in the United States mail, postage prepaid to the addresses set forth above, or to such other addresses as the parties may, from time to time, designate in writing pursuant to this section.

Section 18. Attorney's Fees. In the event that either party commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

Section 19. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and CONSULTANT, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both CITY and CONSULTANT.



Section 20. Exhibits; Precedence. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

Section 21. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 22. CITY Not Obligated to Third Parties. CITY shall not be obligated or liable under this Agreement to any party other than CONSULTANT.

Section 23. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

Executed this _____ day of _____, 20____, at Beverly Hills, California.

CITY: CITY OF BEVERLY HILLS
A Municipal Corporation

JOHN A. MIRISCH
Mayor of the City of Beverly Hills, California

ATTEST:

BYRON POPE
City Clerk

Consultant: VS2 CONSULTING INC.

SEAN P. VARGAS
President/Chief Financial Officer/Secretary

08-09-2016

[Signatures continue]

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

MAHDI ALUZRI
City Manager



SUSAN HEALY KEENE, ACIP
Director of Community Development Department



SHARON L'HEUREUX DRESSEL
Interim Risk Manager



**EXHIBIT A
SCOPE OF SERVICES
CITY OF BEVERLY HILLS
AS-NEEDED ENGINEERING SUPPORT
VS2 PROPOSAL NO. 2016-023**

CONSULTANT shall work with designated CITY staff, consultants, developer staff, and third party utility owners to facilitate the review, plan-check, approval, and/or implementation of various development and Capital Improvement Projects under the direction of the CITY Building Official (CBO).

The scope of services may include, but shall not be limited to, professional engineering and consulting support related to:

- Review/plan-check of public improvements associated with ongoing/future development projects. Typical projects may include:
 - New/relocated driveways
 - Street improvements, resurfacing, streetscape
 - Underground utility construction/relocation (water, sewer, storm drain)
- Coordinate with other agencies and franchise utility owners on engineering matters
- Coordinate, liaise, and support concurrent private and public construction projects
- Attend project meetings at the Department or at project sites within CITY.

STAFFING

CONSULTANT staff shall perform reviews and plan-check work from CONSULTANT's offices and shall attend regularly scheduled meetings at the CITY's Engineering Division and jobsites as-required. CONSULTANT's staff shall be managed by a licensed professional engineer in the State of California with a minimum of 15 years of relevant experience in roadway, utility, drainage and grading design, and the preparation of plans and specifications for public works projects for local Los Angeles County agencies based on the Standard Specifications for Public Works Construction (Greenbook).



**EXHIBIT B
COMPENSATION AND FEE SCHEDULE
AS-NEEDED ENGINEERING SUPPORT**

CITY shall compensate CONSULTANT for the services required by this Agreement as set forth in Exhibit A in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per fiscal year. In no event shall the total amount of the Agreement exceed Three Hundred Thousand Dollars (\$300,000) during the term of the Agreement.

Hourly Rates*

\$125 - \$165 - Civil Engineering Designers and Engineers

*Effective through December 31, 2016

Reimbursable Expenses

CITY shall reimburse CONSULTANT for the following expenses reasonably incurred in the performance of the Agreement:

- Current IRS allowable rate and parking expenses incurred by employees are charged at cost.
- Prints, plots, messenger service, and any other direct expenses will be charged at cost plus ten percent.
- The services of outside consultants, should they become required, will be charged at cost plus fifteen percent.

The above schedule is for straight time. Overtime will be charged at 150 percent of the standard hourly rates. Sundays and holidays will be charged at 200 percent of the standard hourly rates.

*These Hourly Rates may be modified annually upon giving CITY thirty days prior written notice based on the US Department of Labor, Bureau of Labor Statistics, Consumer Price Index for All-Urban Consumers for the Los Angeles-Riverside-Orange County area on June 1 of each year.



EXHIBIT C

CERTIFICATE OF INSURANCE

This is to certify that the following endorsement is part of the policy(ies) described below:

NAMED INSURED

COMPANIES AFFORDING COVERAGE

- A.
- B.
- C.

ADDRESS

| COMPANY (A. B. C.) | COVERAGE | POLICY NUMBER | EXPIRATION DATE | LIMITS | | |
|-----------------------|--|------------------|--------------------|--------|------|-----------|
| | | | | B.I. | P.D. | AGGREGATE |
| | <input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS <input type="checkbox"/> BLANKET CONTRACTUAL <input type="checkbox"/> CONTRACTOR'S PROTECTIVE <input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> EXCESS LIABILITY <input type="checkbox"/> WORKERS' COMPENSATION <input type="checkbox"/> | | | | | |

It is hereby understood and agreed that the **City of Beverly Hills**, its City Council and each member thereof and every officer and employee of the City shall be named as joint and several assureds with respect to claims arising out of the following project or agreement:

It is further agreed that the following indemnity agreement between the **City of Beverly Hills** and the named insured is covered under the policy: Contractor agrees to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all liability or financial loss resulting from any suits, claims, losses or actions brought against and from all costs and expenses of litigation brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the wrongful or negligent actions of contractor's officers, employees, agents or others employed by Contractor while engaged by Contractor in the (performance of this agreement) construction of this project.

It is further agreed that the inclusion of more than one assured shall not operate to increase the limit of the company's liability and that insurer waives any right of contribution with insurance which may be available to the **City of Beverly Hills**.

In the event of cancellation or material change in the above coverage, the company will give **30 days'** written notice of cancellation or material change to the certificate holder.

Except to certify that the policy(ies) described above have the above endorsement attached, this certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance 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.

DATE: _____

BY: _____
Authorized Insurance Representative

AGENCY: _____

TITLE: _____
ADDRESS: _____

