



**City of Coos Bay  
Request for Proposal  
To Provide Construction Manager/General  
Contractor Services For  
Wastewater Treatment Plant 2 Project**

**NOTICE**

The City of Coos Bay is accepting proposals to provide construction manager/general contractor (CMGC) services for the Wastewater Treatment Plant 2 (WWTP2) project. The City invites qualified construction firms to submit a proposal package based upon the scope of the work contained within this Request for Proposal (RFP). This CMGC project is being partially funded by a loan obtained through the Oregon Infrastructure Finance Authority (IFA) in conjunction with the project titled, *Coos Bay Wastewater System Repairs Design & Construction*.

**SUBMISSION OF PROPOSAL PACKAGE**

To receive consideration, proposal packages must be submitted in accordance with the following instructions:

1. All proposal packages shall be delivered to:

City of Coos Bay  
Public Works & Development Department  
Attn: Jennifer Wirsing  
500 Central Avenue  
Coos Bay, OR 97420

2. Submit seven (7) bound copies and one (1) unbound copy marked "original" of the proposal plus one (1) CD-ROM with the entire proposal in electronic PDF format by 3:00 p.m. on November 8, 2013.
3. The proposals must be clearly marked "PROPOSAL FOR CMGC SERVICES FOR WASTEWATER TREATMENT PLANT 2".
4. Maintaining the integrity of the RFP process is extremely important to the City of Coos Bay. As such all questions, shall be directed to the project manager, Jennifer Wirsing, at (541) 269-1181 ext. 2247 or email [jwirsing@coosbay.org](mailto:jwirsing@coosbay.org). Prior to contact, please review the General Information regarding Additional Information Requests, located on Page 14 of this packet. Answers to all questions will be posted on line and made available to all firms intending to submit a proposal package. Failure to adhere to these restrictions may significantly reduce your prospects for selection.
5. The City of Coos Bay reserves the right to reject any and all proposals, and has the right, at its sole discretion, to accept the proposal it considers most favorable to the City's interest and the right to waive minor irregularities in procedures.

## TABLE OF CONTENTS

General Instructions.....	1
Proposal Package Requirements.....	3
Qualification Evaluation Criteria.....	8
Background and Scope of Work.....	10
General Information.....	14

### Exhibit:

Exhibit A - Contract for Pre-Construction Services

**CITY OF COOS BAY  
INSTRUCTIONS TO SUBMITTERS  
TO PROVIDE CONSTRUCTION MANAGER/GENERAL  
CONTRACTOR SERVICES  
FOR WASTEWATER TREATMENT PLANT 2**

**GENERAL INSTRUCTIONS**

The City of Coos Bay invites qualified individuals or firms to submit a proposal package to provide Construction Manager/General Contractor (CMGC) services as described in the specifications set forth in this Request for Proposal (RFP). All submittals are subject to the provisions and requirements of the City of Coos Bay Rules of Local Contract Review and the Oregon Revised Statutes.

**SCHEDULE FOR RFP EVENTS**

RFP Advertised (1 <sup>st</sup> Round)	October 2, 2013
RFP Advertised (2 <sup>nd</sup> Round)	October 9, 2013
Mandatory Pre-Submittal Meeting & Tour	October 16, 2013 at 1:30
Posting of Interested Parties List	October 17, 2013
Deadline for Additional Information Request	October 18, 2013
Response to Additional Information Requests	October 22, 2013
Proposal Package Due	November 6 <del>8</del> , 2013 at 3 p.m.
Schedule Interview (subject to City's discretion)	November 15, 2013
Interviews (subject to City's discretion)	December November 18-21, 2013
Contract Negotiation w/ Selected Consultant	December 2-6, 2013
Council Consideration of Contract	December 16, 2013
Award of Project	December 17, 2013

**MANDATORY PRE-SUBMITTAL MEETING & TOUR**

A mandatory pre-submittal meeting will be conducted on October 16, 2013 at 1:30pm. The meeting will be held at City Hall, Council Chambers, 500 Central Avenue. At the meeting there will be a presentation of the project and a question and answer session. Following the meeting, there will be a tour of the plant and the proposed site (100 Fulton Avenue). All questions at both City Hall and Plant will be documented and provided online for review. This will be your only opportunity to tour the plant. As the plant is currently operational, please dress accordingly and bring a hardhat and safety glasses. Attendance from the submitting CMGC firm is required in order to submit a proposal package for this project.

**CONTRACT BASED ON GMP AGREEMENT**

It is the intention of the City to enter into a contract with the selected CMGC which will include a Fixed Fee for the Pre-Construction Services (Phase 1) up through submittal of a guaranteed maximum price (GMP). If the City is unable to successfully agree upon a GMP for the project with the selected CMGC, the City reserves the right to terminate the Contract and commence negotiations with the next ranked finalist. Upon termination of the Contract the City will accept assignment of long-lead subcontracts previously agreed to and awarded. The City reserves the right to reject any and all proposals.

**RFP METHOD**

The City will use the Request for Proposal (RFP) competitive procurement method. The process has several major components, including but not limit to: 1) RFP Notice, 2) Mandatory Pre-Submittal Meeting, 3) Receipt of Proposal Response; 4) Proposal Evaluation, 5) Interviews (subject to the discretion of the City), 6) Recommendation to the City Council for Council Approval, and 7) Contract Negotiation.

**MINIMUM QUALIFICATIONS**

The City desires to enter into an agreement with a Qualified Individual, Firm, or Team that can demonstrate competency and experience in providing the requested services to the City. Each proposer shall demonstrate and meet the following minimum criteria:

1. Proposer shall have seven or more years continuous experience as a currently incorporated construction firm that has completed at least two other projects of comparable size, cost and complexity during that time.
2. Proposer shall have completed at least two CMGC projects within the State of Oregon within the last ten years. The project(s) must have included key personnel (project manager and superintendent) assigned to this project. Key personnel's experience may be with the present employer or with previous employer.
3. Proposer shall be capable of providing a 100% performance bond and 100% Payment bond for the project.
4. Proposer shall have key personnel available for the time and magnitude of the project throughout its duration. Key personnel assigned to the project shall maintain their assigned position throughout the project unless requested to be removed by the City or unless otherwise approved by the City.
5. Proposer shall be currently licensed/certified to provide contracting services in the State of Oregon.
6. Proposer shall demonstrate, to the satisfaction of the evaluation committee, the ability to provide the services required within the scope of work and shall demonstrate a proven history of providing such services for public agencies.
7. Proposer shall not have a record of substandard workmanship. The City may verify this requirement by communication with the Licensing Authority, a variety of each proposer's references, and as many other references as may be deemed appropriate.

## PROPOSAL PACKAGE REQUIREMENTS

This section discusses the items that must be included in your proposal package. Items 1 through 4 must not exceed 20 pages. One page is considered to be one side of a single 8 ½" x 11" sheet and double sided sheets will be considered as two pages. Each sheet shall be numbered. The following items are excluded from the twelve page limit (title page, table of contents, section dividers, and attachments). At a minimum the 20 pages shall include the following:

1. **Cover Letter.** All proposal packages must include a cover letter, made to the attention of Jim Hossley Public Works and Development Director, and signed by a person legally authorized to bind the applicant to its Proposal. The cover letter shall introduce your firm and include any potential conflicts of interest your firm or any key individual may have with this project. Additionally, the cover letter must include the following items:
  - a. the firm name,
  - b. Oregon Construction Contractors Board registration classification, registration number, and expiration date
  - c. the names of local partners/principals and the number of local personnel,
  - d. address, telephone, and FAX numbers of the firm, and
  - e. contact information, including an email address, of the person(s) who are authorized to represent the proposer.
2. **Firm & Personnel.** All proposal packages must include the following information related to the firm and key personnel who will be working on this project. Specifically this section relates to the firm, project principal, project manager, key office and field staff and any preferred key sub-contractors, if applicable. Please note that the City's contract for professional services for this project will require commitment from the selected firm that the personnel listed below will be assigned to the project in the roles stated by your firm.
  - a. Firm Description - Provide a brief description of your firm's history, the type of work you have performed and your capabilities. Include an Annual Volume of Figures for the past five years and current bonding capacity. Indicate your firm's current available bonding capacity and the capacity likely available during the anticipated construction period. If a joint venture, provide the information for each of the firms involved. List the sub-consulting firms, if applicable, that will be part of your team during the Pre-Construction and construction phases of the work.
  - b. The names of the partners, managers and other key staff persons who will be assigned to the project along with brief resumes that indicate their experience in municipal civil structural engineering and construction, specifically wastewater engineering and construction :
    - i. Design and construction of wastewater treatment plants, including plants that incorporate Sequencing Batch Reactors (SBRs) treatment and UV disinfection.
    - ii. Design and construction of yard and interior piping and valves, pumps and other mechanical equipment.
    - iii. Projects involving the construction of facilities adjacent to existing operating facilities and the coordination required to maintain ongoing uninterrupted operations.
    - iv. Projects involving complex construction sequencing and critical tie-ins to operating plants and collection systems.
    - v. All other construction activities associated with the project.

- c. Indicate the key staff's job classification, roles and responsibilities, professional registrations and certifications, and office location. Define the current residency of staff proposed for design phase services. Indicate the availability of all individuals proposed on this project. Experience with design and construction administration of wastewater treatment plants is a high priority. Define the extent of principal and project manager involvement and roles of key members. Define who will be responsible for negotiating the initial Pre-Construction phase and the Construction phase contracts and GMP.
  - d. An organizational chart identifying members of the team, including sub consultants, who would be assigned to this project. The chart should clearly delineate roles and responsibilities of the various team members.
  - e. For the proposed sub consultants, please provide the name of each firm, the office location, contact name and telephone number, and the services to be provided.
3. **References.** All proposal packages must include the following information related to the references and qualifications relative to the scope of work associated with this proposal.
- a. List of Oregon government jurisdictions, along with contact name and number, your firm is currently providing construction of wastewater treatment plants (including plants that incorporate Sequencing Batch Reactors (SBRs) treatment and UV disinfection) or has provided these services within the last 10 years.
  - b. Relevant Project Summary/Profile Sheets completed within the last 10 years. At a minimum, the sheets shall provide a brief description of the project, provide date design was completed, provide date construction was completed (if applicable), cost of construction, and construction change order rate if applicable. Identify any claims associated with the project. Provide staff that was involved with the project. Provide owner information and contact person.
  - c. Provide references for your team members, concentrating on those members who will have the largest degree of involvement on the project. Indicate the project involved and the individual's role. Provide contact information for the reference.

**Project and Scheduling Approach.** Describe how your firm will insure the City's schedule requirements are met. Specifically how will your firm organize your work staffing and coordination of team members in order to ensure that all schedule milestones are achieved? How will your firm report progress and mitigate delays? Describe prior experience and approach with fast-track phased construction bid packages. What has been your recent experience on fast-track construction in terms of completion of bid packages?

A preliminary scope of work has been included with this RFP, however it is anticipated that the proposal will include any amendments and/or provide additional recommendations based on the consultant's experience on similar projects. Describe how your team will meet the project goals and summarize why your firm should be selected. The firm shall demonstrate an understanding of the work and present an overall summary of the CMGC's approach. At a minimum the discussion shall include the items identified in the Scope of Work Section within this RFP.

The following attachments are excluded from the twenty page limit associated with this proposal:

**Attachment A - Statement of Commitment**

As part of the RFP response, include a "Statement of Commitment" from a principal of your firm(s), with the authority to contractually obligate your team to commit to the items listed below.

1. Your approach will demonstrate your responsiveness to the needs of the project, drawing upon the full strength of your organization.
2. Your key staff, proposed for design and construction phase services possess the required skills and will be assigned to this project for the duration of their anticipated services. Key staff changes will require prior written approval by the City.
3. You will provide the resources, necessary to ensure a successful project including involvement from principal's as deemed necessary by the City.
4. The team you propose represents the "best in class" from your organization(s) and will function at a professional level, focused on working to allow all team members to succeed.
5. Your response to this RFP represents an accurate description of your firm's ability to provide the skills necessary as a CMGC to meet and exceed the requirements of this project.
6. You have the ability to meet the proposed scheduled outline in this RFP.

A separate statement of commitment shall also be provided from the project manager.

**Attachment B - Safety and Compliance Record**

Provide the firm's OSHA reportable accident rate and current Worker's compensation insurance modifier for the last 3 years. Provide OSHA reportable accident rate on projects managed by the proposed superintendent or project manager over the past 3, year period (depending on who is assigned site safety responsibility in the CMGC organization). Provide the firm's site safety plan.

Provide the firm's environmental compliance record for the last 3 years. Indicate the nature and disposition of all complaints filed by State or Federal environmental agencies during the last 3 years against the firm.

**Attachment C - Self Performance**

Based on the description of the work in this request, describe or identify which portions of the work you would typically prefer to self-perform. For work that is not normally self-performed, provide a list of two to three potential subcontractors for each major trade.

**Attachment D - Bonding Company**

Provide the name, address, and phone number of the firm's bonding company. Provide a certified letter from the firm's bonding company indicating bonding capacity is adequate to undertake the work. In the case of a joint venture, a letter shall be provided for all parties to the joint venture. Have you, or if applicable all parties to the joint venture, ever been refused bonding?

All bonds shall be executed by such sureties as are named in the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (as amended) by the Audit Staff Bureau of Accounts, U.S. Treasury Department; and as rated "A" or "A+" by A.M. Best Company.



### **Attachment E – Insurance Company**

Insurance Company: Provide the name, address, and phone number of the CMGC's insurance company, or if applicable, the insurance company of all parties to a proposed joint venture project. Provide a certificate of insurance outlining coverage and policy limits. Can this coverage be extended for work on this project? Can coverage be increased? Are there any current claims that will affect coverage limits available for this project? Have you, or if applicable all parties to the joint venture, ever been refused insurance?

### **Attachment F – Minimum Pre-Qualifications**

Due to the fast paced timeline associated with the RFP, proposers will self-certify that they meet the minimum qualifications as indicated in the General Instruction.

### **Attachment G – Proposed Cost- Pre-Construction Services (Phase 1)**

Provide a cost estimate that will include the following Activities:

Activity	Anticipated Hours Required
Participation in Value Engineering Workshop	4 Days
Final Design Project Meetings with Engineer	1 hour every week for 1 Year
Scheduling & Management Plan	To be determined by CMGC
Constructability Reviews (Predesign Report, 60%, 90%, Design)	To be determined by CMGC
Cost Estimates (60% and 90% Design)	To be determined by CMGC
Administrative and Overhead support as needed to support the above activities	To be determined by CMGC

Please note that the estimates of proposed cost for Pre-Construction Services and the GMP preparation shall be accompanied with a detailed breakdown. This fee information, while a critical element of the evaluation/selection process, will also be used in the negotiation of the final agreement. The identified Phase I cost will be added to the project work required under Construction Services, and will be separately identified by the CMGC as part of the GMP. Should negotiations for a GMP be unsuccessful, the City will retain all rights to the Pre-Construction Services work, and no compensation related thereto will be provided.

### **Attachment H - GMP Preparation**

Although a GMP is not required as part of the proposal preparation, certain cost factors are required to be provided with this RFP, as agreed and identified in this solicitation. The values provided by the firm in this proposal response shall be used during the development of the GMP pricing to be supplied prior to the City of Coos Bay's acceptance of a construction contract. The pricing provided shall anticipate not proceeding with construction before summer 2015 and completion by the fall of 2017:

1. CMGC Construction Fee: Provide the fixed fee as a percentage of the direct Construction Costs, for which your firm would contract to perform the required construction services. The CMGC Construction Fee should include all costs for overhead and profit not directly attributable to the work. Identify all costs that are included in this CMGC Construction Fee.
2. CMGC Fee for Bonds: Provide the fixed fee as a percentage of the Direct Construction Costs, for bonds necessary to perform the required construction services. Identify all costs that are included in this CMGC fee for Bonds.
3. CMGC Fee for Insurance: Provide the fixed fee as a percentage of the Direct Construction Costs, for insurance necessary to perform the required construction services. Identify all costs that are included in this CMGC fee for Insurance.
4. CMGC General Conditions Rates: Provide hourly rates and monthly expenses for the



staff materials that will comprise the General Conditions portion of the GMP. These rates and expenses will be used to negotiate the general conditions costs associated with the GMP.

Following the preparation of the final design drawings and specifications for the project, the City and the selected CMGC will finalize a GMP for the construction of the improvements utilizing the pricing structure provided and agreed as part of the proposal provided. Selection of the CMGC firm for Pre-Construction Services does not obligate or bind the City to provide Construction Services Contract to proposer, if the GMP does not satisfy City of Coos Bay concerns or desires. Should the City and the selected CMGC not be able to agree on a GMP or other related project or contractual issues, the City will reimburse the CMGC for the completed Pre-Construction Services work.

## **QUALIFICATION EVALUATION CRITERIA**

The City will follow a select procedure that involves the review of all qualified proposals, the evaluation and ranking of submittals, negotiation of fees with the most qualified firm and award of contract based upon our local and state procurement requirements. The previous section titled, "Proposal Package Requirements" describes the minimum information required in the proposal. The selection of the most qualified firm will be performed by the evaluation committee and will be based on the proposal package requirements and the following criteria. The evaluation committee will be comprised of City Staff and a representative from the Charleston Sanitation District.

### **PROJECT STAFFING**

Is the project manager qualified to manage all phases of the project? Has CMGC demonstrated ability in similar projects? Does support staff have sufficient experience with related work? Are all required disciplines represented in this scope of work? Have key personnel worked successfully on past projects? If sub consultants are proposed, have they worked with the CMGC before? Have all team members had similar experience regarding project scope and magnitude?

### **PROJECT EXPERIENCE**

Are similar and current projects submitted as examples? Does the reference confirm a "job well done"? Are references current and accessible? Does the City of Coos Bay have a positive experience with the CMGC? Does firm show experience working successfully with public agencies and under the public contracting statutes and requirements? Does firm show experience with CMGC projects in public sector?

### **PROPOSAL APPROACH**

Does proposal present all required material in a clear and professional manner? Does proposal address all required information? Is a clear understanding of the project stated and demonstrated throughout? Is the scope detailed and comprehensive? Is the scope consistent with the teaming and staffing levels? Is firm's overall CMGC plan for completing the project clear and concise?

Does the approach at a minimum address the following:

1. Describe approach to design phase services.
2. Indicate the resources available for cost estimating, construction approach and methods, and construction sequencing and scheduling.
3. Indicate the in-house resources and identify resources outside of organization.
4. Provide a detailed listing of any ongoing claims.
5. Discuss in detail approach to estimating. Be specific about the following: conceptual estimating, variance reports, value engineering vs. scope reductions, allowances and contingencies.
6. Discuss philosophy for procuring subcontractor/vendor work including: pre-qualifications, bidding vs. negotiating strategies, unit pricing, long-lead items, bonding, subcontractor staffing commitments.
7. Describe current relationships with local subcontractors.
8. Discuss philosophy and specific experience with providing a Guaranteed Maximum Price (GMP).
9. Describe when the best time to provide a GMP would be.
10. Discuss approach and experience interfacing with municipalities.
11. Describe project tracking and cost control within the established budget throughout construction of this project.
12. Discuss your role for scheduling during the design phase.
13. How will firm ensure decisions made during the design phase are implemented during construction?

**SCHEDULING APPROACH**

Describe how your firm will ensure the City's schedules are met. Specifically, how will your firm organize your work, staffing, and coordinate team members in order to ensure that all schedule milestones are achieved? How will delays be mitigated? How will firm report progress?

**PROJECT FEE**

The fee criteria will be evaluated on clarity of the cost breakdowns the cost itself and what is included or excluded in the breakdown of cost.

**SCORING CRITERIA**

The submittals will be evaluated and scored by the selection committee. The scoring criteria will be:

Project Staffing	20%
Project Experience	25%
Proposal Approach	25%
Scheduling Approach	15%
Project Fee	<u>15%</u>
	100%

## BACKGROUND AND SCOPE OF WORK

### BACKGROUND

The City of Coos Bay is the largest community on the Oregon coast and provides wastewater collection, treatment, and disposal services to retail customers within the City limits. The topographic characteristics of the City are gentle low lying hills. As such, there is a ridgeline that divides the City into two primary basins for gravity collection, served by two wastewater treatment plants (WWTPs). The City owns and operates both of these activated sludge wastewater treatment plants. Wastewater is conveyed to one of the two wastewater treatment plants using a combination of up to 23 sanitary sewer pump stations and a combined total of over 90 miles of sanitary collection system piping. Wastewater from the western area is treated at WWTP 2, while WWTP 1 treats wastewater from the eastern area.

WWTP 2 is located in the Empire area and has a 2.02 mgd dry weather design flow. It has been in service since 1973 and was upgraded in 1990 to meet National Pollutant Discharge Elimination System (NPDES) permit requirements. In 1990, a new headworks and a second secondary clarifier were added to the plant. Other plant processes included influent pumps, primary clarification, activated sludge, secondary treatment, secondary clarification, disinfection, dechlorination and anaerobic digestion of sludge.

The City of Coos Bay contracted West Yost Associates to prepare a Facility Plan (FP) for the WWTP 2. The City contracted with Civil West Engineering Services to perform pre-design for WWTP 2. During the preliminary pre-design efforts several options were explored that included moving the plant to the North Spit, pumping the waste to WWTP 1, and expanding the current WWTP 2 site into property located east of South Empire Boulevard. However, DEQ did not officially review any of these alternatives since they were not in the original FP.

Because of the changes and deviations from the original Facility Plan, Oregon Department of Environmental Quality (DEQ) requested that the City prepare a Facility Plan Amendment (FPA) prior to proceeding forward on pre-design. The City contracted with Civil West Engineering Services to prepare the FPA. Within this FPA, the City investigated several alternatives related to influent facilities, treatment, and disinfection. Additionally a value analysis (VA) of the FPA was performed.

The City contracted with CH2M HILL to lead the VA. The VA team included CH2M HILL staff, City Staff, Charleston Sanitation District representatives, and a DEQ representative. Upon completion of the VA, the City contracted with the design team of SHN and CH2M HILL to perform pre-design services. Pre-design is complete and 15% design plans have been prepared and approved by DEQ. Based on meetings that have occurred with DEQ and City representatives, Value Engineering of the 15% design has been recommended. The goal of the Value Engineering is to improve the value of our proposed treatment plant. The City is currently requesting proposals for Value Engineering. Upon completion of the Value Engineering it is anticipated that SHN and CH2M HILL will commence with Final Design.

The City entered into an MAO with the Oregon DEQ in 2008 that includes milestone and tasks that the City must complete in order to remain in compliance. The MAO includes a number of requirements that must be completed by a certain deadline. The next critical deadline in the MAO schedule is the completion of final design for WWTP2 and commencement of construction. Per the MAO schedule commencement of construction is anticipated summer 2015 and the plant is scheduled to be on line fall 2017. **Because of the MAO deadlines, the selected CMGC must be able to meet these deadlines.**

**PROJECT ESTIMATE RANGE: \$10,480,000 TO \$22,460,000**

## **PROJECT UNDERSTANDING AND APPROACH**

The following project components are intended to be an outline for the work to be performed. The project approach shall incorporate these components as well as address issues such as cost, schedule, and quality. This list is not an all-inclusive list.

### **Pre-Construction Services (Phase I)**

Generally, it will be the responsibility of the CMGC to participate in the design process by providing peer and constructability reviews, developing schedules preparing detailed project construction cost estimates, studying labor and materials conditions, and, in any other way deemed necessary by City or the Engineer, to contribute to the development of the Project. CMGC shall consult with City and the Engineer during design of the Project. Such consultation shall include but is not limited to constructability reviews, value engineering, scheduling, estimating construction costs, and development of a Guaranteed Maximum Price. These services are more specifically described below:

1. Provide constructability reviews of the Pre-Design Report, 60%, and 90%, design phases for all components of the Contract. Provide cost estimates at the 60%, and 90%, design phases. Provide a Guaranteed Maximum Price (GMP) following the completion of the design (100% design completion);
2. Consult with and advise City and the Engineer orally and with written recommendations in completion of an economical and constructible Project design that will satisfy Project objectives, requirements, and constraints as set forth herein, and with the quality, functionality, and durability required;
3. Provide recommendations on constructability, value engineering, cost saving ideas, material and systems suitability, availability of materials and labor, time requirements for installation and construction, site use and improvements, and factors related to cost including costs of alternative designs or materials, preliminary budgets, and possible economies; participate in development of deductive and additive alternates;
4. Identify key project risks and assist City and Engineer in preparing mitigation plans for those risks;
5. Advise City and Engineer in completion of the Project design utilizing principles of sustainability including energy conservation;
6. Develop and maintain a detailed schedule for Project construction, including realistic activity sequences and durations, allocation of labor and materials, processing of shop drawings, and delivery of products requiring long lead-time procurement; coordinate and integrate Engineer's design efforts with Project construction schedule;
7. Provide a comprehensive management plan to monitor and control schedule and budget to ensure completion of construction within budget; include detailed schedule for progress payment processing during construction; recommend division of work to facilitate bidding and award of contracts; allow, as necessary, for phased construction;
8. Following the completion of the 100% design, develop the Guaranteed Maximum Price (GMP). GMP shall include the direct construction costs and CMGC fees and be prepared in an open book manner as described in the section SUBCONTRACTOR SOLICITATION PROCESS below;
9. CMGC shall submit to Owner its proposed Procurement Documents for review and comment before they are issued for solicitation. CMGC shall consider and respond to all Owner comments regarding any proposed offer packages. The competitive process used to award Subcontracts by CMGC may be monitored by Owner. The Owner shall be advised in advance of, and be given the opportunity to be present at, offer openings, and CMGC shall provide requested monitoring prior to CMGC's selection of offers;
10. Identify and coordinate strategy for procurement of any early-out packages or long lead-time equipment or materials;
11. Review all final construction documents, identify revisions that improve clarity for bidding,

- reduce construction costs and time of performance, eliminate areas of conflict or overlapping in work to be performed by subcontractors;
12. Participate with City and Engineer in weekly Project management and review meetings and any such additional meetings as City may request. These meetings can be attended via phone conference;
  13. Prepare and submit a proposed Construction Safety plan which shall include an alcohol and drug testing program;
  14. Attend and participate in City Council, Agency and public meetings as requested by City to assist in resolution of any project related issues.

At the outset of the Agreement, the CMGC will thoroughly review and become familiar with the Project scope, requirements and constraints, including: (1) the objectives of the Project, (2) City needs and requirements related to development and completion of the Project, (3) the Engineer's work effort to date and any work products; (4) the Project program and preliminary drawings, specifications and any associated information and materials; (5) the Project site, any local conditions and all related assumptions and constraints; (6) the scheduling and budget assumptions and constraints.

The CMGC shall accept the same and affirmatively state that the Project is a reasonable and constructible Project on a conceptual basis, incorporating a reasonable and workable delivery approach and schedule. Further, the CMGC will notify City in the event the Project, as developed during the Preconstruction Phase, is not reasonable or constructible, given the schedule, budget and other Project requirements.

The CMGC agrees that all of the services and work performed by the CMGC under this phase shall be performed expeditiously and in accordance with the industry standards of care, skill, and diligence normally and customarily performed by a CMGC on a project of this size and nature.

### **Construction Services (Phase 2)**

An Amendment to the Agreement will be executed if City and the CMGC are able to reach agreement on a GMP and the required Construction Services. After the Amendment to the Agreement has been executed, the CMGC will be responsible for construction means, methods, sequencing and coordination, including competitively selecting and managing subcontractors to perform the work. The CMGC will assume the risk of delivering the Project through the Amended Agreement for the agreed upon GMP. The scope of the Construction Services will include, but is not limited to, the following items (this is not an all-inclusive list):

1. Provide a comprehensive construction plan which shall include construction phasing, staging, field office needs, construction equipment storage, use of public roadways, protection of sensitive portions of the Project site, dirt and debris mitigation, temporary facilities, traffic management plans, work hours including number of shifts, emergency vehicle provisions, public and worker safety precautions, and security and maintenance of work areas;
2. Collaborate with City and the Engineer to fully execute the Project;
3. Monitor work of subcontractors and coordinate Project work with activities and responsibilities of City, Engineer and CMGC to complete the Project in accordance with the City's objectives of budget, schedule and quality;
4. Provide overall management and coordination for completion of the Project; maintain a qualified, full-time Superintendent with necessary staff on the job site to coordinate and manage Project construction; establish on-site organization to carry out overall plan of construction;
5. Solicit and conduct competitive subcontractor bidding for Project construction work; include all applicable legal provisions as required for the performance of construction work in the



state of Oregon in each subcontract;

6. Comply with and fully implement any and all federal, state and local permits required as part of the work;
7. Establish an effective quality control plan for all construction; inspect the work as it is being performed to assure that material furnished and quality of work performed are in accordance with the Project plan and Construction Documents; establish process to manage any subcontractor who is not performing in accordance with Project requirements for budget control, on-time schedule performance, safety and/or quality control;
8. Monitor and maintain Project construction schedule; identify potential variances between scheduled and probable completion dates; recommend adjustments to City; provide summary reports and document all adjustments to schedule; keep City and the Engineer advised of Project construction work status;
9. Develop and monitor an effective system for Project cost control; provide monthly reports of actual costs and work progress as compared to cost estimates and scheduled work progress. Provide supporting information for any variances as requested by City and the Engineer; maintain cost accounting records, provide City access to these records, and preserve for at least 3 years after final payment;
10. Review and process all applications for payments by subcontractors and material suppliers in accordance with terms of their contracts and maintain records of all payment requests as required by law. Review and resolve all subcontractors' and material suppliers' requests for additional costs;
11. Schedule and conduct job progress meetings; prepare minutes, and distribute meeting records to City and the Engineer;
12. Implement procedures for processing shop drawings, submittals and other documents;
13. Implement the Construction Safety Plan that was prepared in the Pre-Construction Phase;
14. Attend and participate in City Council and public meetings as requested by City to assist in resolution of any project related issues;
15. Provide start up services and warranty period services as specified;
16. Provide close-out services as construction work is completed which shall include: (1) perform necessary work to satisfy City that Project is completed as designed before the Project is deemed substantially complete; resolve punch list items; (2) coordinate and expedite submittal of record documents; (3) provide final report of all construction costs, and assist City in final audit of all costs and all supporting documentation.

It is the City's objective to obtain the best value for funds expended and completion of work by using competitive bidding as the preferred method of assuring best value for least cost. It is also understood there will be times when the best interest of the City and the Project is served by having the CMGC self-perform certain work. However, unless the following provisions of this section are specifically waived or changed in writing by City, the selection of subcontractors shall be made by competitive bid or quotes in a manner that will not encourage favoritism or substantially diminish competition. At the City's sole discretion, the CMGC may be allowed to perform up to 5% of the total contract work without competitive bidding after providing the City data to support the benefits of exempting this work from sub-bidding and after the City approves such submission in writing. There is no limit on CMGC self-performed work that is competitively procured as described above.



## **GENERAL INFORMATION**

### **INTERESTED PARTIES LIST**

After the Pre-Submittal Meeting, an interested parties list will be posted on the website.

### **RESOURCES TO BE PROVIDED**

The City has made available on line the following documents for your use in preparation of your proposal. A hard copy of any of the reports can be provided for a fee by contacting Jennifer Wirsing at 541-269-1181 ext. 2247 or [jwirsing@coosbay.org](mailto:jwirsing@coosbay.org) to obtain directions and access to the ftp site.

1. Facility Plan for Wastewater Treatment Plant No. 2, prepared by West Yost Associates Consulting Engineers, dated October 2007
2. Wastewater Treatment Plant #2 Facility Plan Amendment (Volume 1 and 2), prepared by Civil West Engineering Services Inc., dated November 20, 2012
3. Coos Bay SCADA Master Plan, prepared by The Automation Group Inc., no date
4. Coos Bay Wastewater Treatment Plant 2 Preliminary Design, prepared by SHN and CH2M HILL, dated August 2013
5. City of Coos Bay Professional Services Contract. Final General Conditions documents will be developed during the final design phase.

### **INTERVIEWS**

Proposers **may** be invited to an interview with the City's Selection Committee. Selected firms will be contacted regarding time and location of an interview.

### **COMPLIANCE WITH RULES**

Proposers responding to this RFP must follow its procedures and requirements. Except as otherwise provided in the RFP, applicable provisions of Oregon Administrative Rules Chapter 137, Division 47 shall apply to all personal service contracts with the City. Failure to comply with or complete any part of this PROPOSAL may result in rejection of your Proposal.

### **REQUEST FOR ADDITIONAL INFORMATION**

Proposers may submit questions or a request for additional information. All questions and/or requests must be submitted either by mail or email:

City of Coos Bay  
Public Works & Development Department  
Attn: Jennifer Wirsing  
500 Central Avenue  
Coos Bay, OR 97420  
[jwirsing@coosbay.org](mailto:jwirsing@coosbay.org)

All requests for additional information, must clearly reference the "Proposal for Value engineering Services for Wastewater Treatment Plant 2". All requests must be received no later than October 18, 2012 at 3:00 pm. The responses to the requests will be made available at the City's website:

<http://coosbay.org/government/rfp-list>

Hard copies of the questions and responses can be mailed upon request for a fee.

**PROPOSAL WITHDRAWAL**

Any Proposal may be withdrawn at any time before the "Proposal Due" date and time by providing a written request for the withdrawal to the issuing office. A duly authorized representative of the agency shall make the request. Withdrawal of a Proposal will not preclude the proposer from filing a new Proposal.

**CITY'S RIGHT TO CANCEL PROCESS OR REJECT PROPOSALS**

The City may cancel a solicitation process, or reject any proposal in whole or in part when it is in the City's best interest as determined by the City. This may include rejecting any proposal not in compliance with all prescribed public contracting procedures and requirements, and for good cause, rejection of all proposals upon a finding that it is in public interest to do so. If the City chooses to reject the proposal in part, it may in certain instances provide notice of any correction or modifications to prospective CMGC firms who originally submitted proposals, solicit supplemental information from them, and set an expedited deadline for their supplemental submissions.

**APPEALS**

Bidders who wish to appeal a disqualification of proposal or the award of contract may submit the appeal in writing to the City Manager's Office within five (5) working days of the postmarked Notice of Award or disqualification. Disagreement with the process, e.g., scoring by evaluators, is not subject to appeal.

Address: City of Coos Bay  
Public Works and Development Department  
Attn: City Manager  
500 Central Avenue  
Coos Bay OR 97420

**OWNERSHIP OF DOCUMENTS**

Any material submitted by a proposer shall become the property of the City. Materials submitted after a contract is signed will be subject to the ownership provision of the executed contract.

**CONFIDENTIALITY OF INFORMATION**

All information and data furnished to the proposer by the City and all other documents to which the proposer's employees have access during the preparation and submittal of the Proposal shall be treated as confidential to the City. Any oral or written disclosure to unauthorized individuals is prohibited.

**PUBLIC RECORD**

All Proposals and information submitted by proposers are not open for public inspection until after the notice of intent to award a contract is issued. Except for exempt materials, all Proposals and information submitted by proposers will be available for viewing after the evaluation process is complete and the notice of intent to award is sent to all participating parties.

**INDEMNITY**

The CMGC shall hold harmless, indemnify, and save the City, its officers, employees, and agents, from any and all liability claims, losses, or damages arising or alleged to arise during the performance of the work described herein by reason of any act or omission of the CMGC or any of its agents, employees or representatives. The indemnity applies to both active and passive acts, or other conduct.

## **EMPLOYMENT STATUS**

CMGC shall perform the work required by this contract as an independent contractor. Although the City reserves the right to determine and modify the delivery schedule for the work to be performed and to evaluate the quality of the completed performance, the City cannot and will not control the means or manner of the CMGC's performance. The CMGC is responsible for determining the appropriate means and manner of performing the work.

CMGC represents and warrants that the CMGC is not an employee of the City of Coos Bay and meets the specific independent CMGC standards of ORS 670.600. CMGC is not an officer, employee, or agent of the City as those terms are used in ORS 30.265.

CMGC shall be responsible for any federal or state taxes applicable to any compensation or payments paid to CMGC under this contract and, the City will not withhold from such compensation or payments any amounts to cover CMGC's federal or state tax obligations.

CMGC is not eligible for any Social Security, unemployment insurance, or Workers Compensation, from compensation paid to CMGC under this contract except as a self-employed individual.

## **CONTRACT BETWEEN CMGC AND CITY**

The successful proposer shall enter into a standard professional services contract with the City for the Phase 1 services. The City has a standard contract. The City's contract is located in Exhibit A.

It is anticipated that the successful proposer has read and agrees with the contractual language and insurance requirements in Exhibit A. If the proposer has questions or would like to request modifications to the contractual language, **this discussion must occur prior to October 18, 2013 at 3 p.m.** At this time the City has not determined the type of contract for Phase 2 (Construction Services). The City will have the option of utilizing their in-house contractor's agreement or the Engineers Joint Contract Documents Committee (EJCDC) agreement.

## **AUTHORIZATION FOR EXEMPTION FROM COMPETITIVE BIDDING**

The City of Coos Bay Council serves as its Local Contract Review Board ("Board"). ORS 279C.335 and the Local Contract Review Board Rules allow the Board to exempt contracts from the competitive bidding if cost savings are expected and the use of alternate contracting procedures will not encourage favoritism in the award of public contracts or substantially diminish for public contracts.

The Board has considered alternate contracting practices that take into account market realities and innovative contract purchasing methods, consistent with the public policy of encouraging competition. As such, the Board has reviewed information indicating that the requirements set forth in ORS 279C.335(3) have been satisfied, and has authorized and exempted the Waste Water Treatment Plant 2 project from competitive bidding. Authorization was granted by the City Council on June 4, 2013, following a public hearing for the purpose of receiving public comment on the CMGC proposal.

## **CONDITIONS**

CMGC acknowledges that the contract will only include services for Phase I. The City reserves the right to renegotiate the contract for subsequent phases, based on the proposal estimate, or City may choose to go through a new Contractor selection process for future phases.

The successful CMGC shall have the appropriate business licenses prior to performing work under the resultant contract.

## **COMMUNICATIONS**

The CMGC shall have the communication abilities and skills to provide the City with effective and professional advice and to:

- Be available for consultation or advice in a timely manner, in person, by telephone, fax or email.
- Follow established procedures regarding which City representative(s) are authorized to contact CMGC to request information, or to authorize new direct services.
- Be familiar with state and federal laws relating to the City and other participants.
- Provide periodic status reports on the services provided by the CMGC.
- Advise and participate in meetings as requested by the City.

## **RESPONSIBILITIES**

**Responsibility of CMGC:** It is understood and agreed that the services being contracted for shall be rendered directly or under close personal supervision by the Proposer, and that the work shall be faithfully performed with care and diligence. The CMGC will return all calls or other contacts from the City within a reasonable time. If it is not possible for the called or contacted party to respond, the CMGC will make arrangements for a designated member of the CMGC to respond to the contract.

**Responsibility of the City:** The City will provide the CMGC with a list of designated City employees who are authorized to contact the CMGC. The City will also provide a point of contact for all service and billing issues.

**Joint Responsibility:** If additional services, supplemental to those included herein are required, both the City and the CMGC have the responsibility to identify those services, include them as an addendum or amendment to the Contract, and to determine fair compensation for these services.

## **ADMINISTRATIVE SERVICES**

CMGC will provide a principal or partner-level individual to be the point of contact for all service and billing issues.

CMGC will recommend specialists for the other services related to the project if the City so requests. The City reserves the right of approval of any specialist(s) and to select other service providers.

Concerning the manner in which services are provided, the City expects that the work will be assigned to individuals in the most efficient manner consistent with their experience and training.

If it is necessary for CMGC to contractually associate with other subcontractors in any manner under this contract, prior approval must be obtained from the City designated contact with the CMGC. The CMGC must inform associated service providers of the procedure set forth herein.

## **PREVAILING WAGE**

Prevailing wage rates for public works contracts in Oregon are required for this Project. No proposal will be received or considered by the City unless the proposal contains a statement that the firm will comply with the provisions of ORS 279C.800 – 279C.870 or 40 U.S.C. 276a.

## **SUBCONTRACTOR SOLICITATION PROCESS**

The following minimum requirements apply to the Subcontract or Supplier solicitation process for subcontracts:

1. Solicitations will be advertised at least 10 days in advance of the bid closing date in publications of record. CMGC also agrees to advertise in the local Coos Bay area newspaper (The World) and The Daily Journal of Commerce. The advertisement will appear twice in each publication, at least one week apart.
2. The CMGC must publicly solicit, receive and open bids, and award contracts. The bid opening will be attended by City personnel and be held at City Hall.
3. Unless specific other prior arrangement has been made with the City, all offers will be written and submitted to a specific location at a specific time. CMGC shall time-stamp all offers as received. Subcontractors must be qualified to perform the Work on this Project by being appropriately registered with the State of Oregon Construction Contractors Board.
4. The CMGC must make good faith effort to obtain at least three offers. If fewer than three offers are submitted in response to any solicitation (inclusive of any offer submitted by CMGC), the CMGC must provide written explanation to the City and a recommendation of how the CMGC desires to proceed with awarding the work. The CMGC will be required to obtain written approval by the City prior to acceptance of an offer.
5. CMGC shall comply, and require Subcontractor compliance with relevant provisions of ORS Chapter 279C. CMGC shall indemnify City from Claims for failure of CMGC to comply with these provisions.
6. City may at its sole discretion, require CMGC to re-solicit for offers based on the same or modified documents.
7. CMGC shall review all offers and shall Work with offers to clarify offers, reduce exclusions, verify scope and quantities, and seek to minimize Work subsequently awarded via the Change Order process.
8. CMGC's contracts with Subcontractors will document any and all discussion, questions and answers, modifications and responses to from any offer and ensure that the same are distributed to allow all offers equal access to such information, and the City shall be entitled to inspect such documentation on request.
9. CMGC shall determine the lowest offer for each solicitation that meets CMGC's reasonable performance standards for the components of the Work at issue; provided that if CMGC determines it is unable to execute a suitable subcontract with such offeror, CMGC may, with the City's prior approval, execute a subcontract with the second-lowest offeror.
10. Under special circumstances and only with prior written authorization by City, Work may be subcontracted on other than a low price basis, including without limitation, through competitive negotiation. As a condition to its authorization, City may require CMGC's agreement to establish and implement qualification and performance criteria for offerors, including a scoring system within the request for quotations. Examples include: where there are single fabricators of materials; special packaging requirements for Subcontractor Work; design-build Work or, where an alternative contracting method can be demonstrated to clearly benefit the Owner.
11. CMGC's subcontracting records must adhere to all public bidding requirements. The CMGC's contracting records are considered public records, unless exempt.
12. CMGC, acting as an independent contractor, shall include in the competitive process to award all subcontracts, a protest process for Subcontractors and Suppliers that are competing offerors, which process shall be subject to approval by the Owner. CMGC shall be solely responsible for resolving the procurements protests of Subcontractors and Suppliers. CMGC shall indemnify, defend, protect, and hold harmless the Owner from and against any such procurement protests and resulting Claims or litigation. CMGC shall act as an independent contractor, and not an agent of the Owner, in connection with any procurement protest. The provisions herein are solely for the benefit of the Owner, and do

not grant any rights or remedies (including third party beneficiary rights) to any offer or other protester, in connection with any procurement protest or claim

13. CMGC will resolve any and all sub-contractor protests.
14. If the CMGC elects to perform any of the construction of the identified sub bid packages with its own forces, they must still be competitively bid as described above and the CMGC must submit the lowest price in order to be awarded a contract for this work. For these sub bid packages, where the CMGC wishes to submit a competitive bid, bids will be delivered directly to the City's project manager and the City will administer and open these bids.
15. While the City has a strong desire to encourage opportunities for local contractors, suppliers, and labor resources, all work must be awarded under the competitive bidding requirements described above. The work will be awarded to the lowest responsible bidder. Subcontracting by CMGC: Except to the extent otherwise approved in advance in writing by the Owner, CMGC, or its affiliates, may submit an offer to do Work with its own forces. For those items for which CMGC or any of its subsidiaries intends to submit an offer, such intent must be publicly announced with the solicitations of offers and the Owner notified in writing. All offers for this Work shall be delivered to the Owner and publicly opened by the Owner at an announced time, date, and place.

#### **CHANGES OF SCOPE AND ADDITIONAL WORK**

The CMGC may be requested to perform special projects for the City. Because of variations in the demand for additional services from time to time, such work shall be agreed upon in advance, contracted for, provided and billed separately to the City on a pre-arranged basis.

#### **COST OF RFP AND ASSOCIATED RESPONSES**

This RFP does not commit the City to paying any expenses incurred by any Proposer in the submission or presentation of a proposal, or in making the necessary studies for the preparation of a proposal, or in traveling to the site of the interviews. All such costs and expenses shall be borne by each Proposer. The City will also not be responsible for reimbursement of the development of the GMP, whether the City elects to offer the Construction Phase contract or not.

#### **RIGHT TO CLARIFICATION AND ADDITIONAL RESEARCH**

The City reserves the right to obtain clarification of any point in a CMGC's proposal or to obtain additional information necessary to properly evaluate a particular proposal. Failure of a Proposer to respond to such a request for additional information or clarification could result in rejection of the CMGC's proposal. The City may obtain information from any legal source for the clarification of any proposal or for information on any CMGC including, but not limited to, police files, insurance files, agency files, credit bureaus, and/or professional organizations. The City shall not be required to inform the Proposer of any intent to perform additional research in this respect or of any information thereby received. The City shall have the right to disqualify any proposal based on information gathered in its research.

#### **PROTEST OR PROCESS & SOLICITATION**

For public improvement contracts, a prospective Proposer may protest specifications or contract terms and conditions pursuant to OAR 137-049-0260(3), (4) and (5). Unless otherwise specified in the invitation to propose, the protest shall be filed with the RFP Contact no later than 10 days before the proposal opening.

##### **1. PROPOSER'S WRITTEN PROTEST SHALL INCLUDE:**

- A detailed statement of the legal and factual grounds for the protest;
- A description of the resulting prejudice to the Proposer; and
- A statement of the desired changes to the Contract terms and conditions, including any specifications.



2. A PROPOSER SHALL MARK ITS PROTEST AS FOLLOWS:
  - “Contract Provision Protest”; and
  - RFP Document number (or other information as specified in the RFP document).
3. CITY RESPONSE: The City is not required to consider a Proposer’s request for change or protest after the deadline established for submitting such request or protest. The City shall provide notice to the applicable Person if it entirely rejects a protest. If the City agrees with the Proposer’s request or protest, in whole or in part, the City shall either issue an Addendum reflecting its determination under OAR 137-049-0260 or cancel the solicitation under OAR 137-049-270.
4. EXTENSION OF CLOSING: If the City receives a written request for change or protest from a Proposer in accordance with this rule, the City may extend the RFP due date if the City determines an extension is necessary to consider the request or protest and issue an Addendum, if any, to the RFP Document.

#### **PROTEST OF INTENT TO AWARD**

Anyone responding to the Request for Proposal who is not recommended for award by the evaluation committee may protest the recommendation, which is also the Intent to Award, to the City of Coos Bay Council, in accordance with 137-049-450(4)(50(6)(7).

1. FORMAT: Any protest must be made in writing, be received before the contract is awarded by the City, clearly state the grounds for the protest, and indicate what condition(s) resulted in the proposal not being recommended for award. Any protest which does not comply with the applicable procedures may be rejected.
2. TIMING: Any protest must be received by the City no later than seven (7) calendar days after notice of the City’s decision was mailed. Upon receipt of the protest, the City shall notify the proposer recommended for award of the protest and the evaluation committee. The Proposer and the evaluation committee shall have three (3) calendar days from the date the protest was filed to respond to the protest in writing, if they so desire.
3. CITY RESPONSE: When a protest is filed, the City shall prepare written analysis of the protest, and make a recommendation to the City Council as to appropriate action to be taken.
4. THE GROUNDS FOR PROTEST ARE:
  - The evaluation committee has failed to conduct the evaluation of proposals in accordance with the criteria or processes described in the solicitation materials.
  - Different criteria were used to evaluate different proposals.
  - The evaluation committee unfairly applied the evaluation criteria to a proposal.
  - A member or members of the evaluation committee had a relationship with a proposer that represented a conflict of interest.
  - The criteria used to evaluate the proposals did not pertain to the services or products requested.
  - A member or members of the evaluation committee demonstrated bias toward a proposal or proposer.
  - The City abused its direction in rejecting the protester’s proposal as nonresponsive.



- The evaluation of the proposals is otherwise in violation of any provisions of ORS 279A or ORS 279b of 279C.
  - All higher ranked proposals are nonresponsive.
5. REVIEW OF PROTEST CRITERIA AND DECISION: The City shall present the issues orally or in writing at a public meeting. The appellant shall then have ten (10) minutes to specifically address the protest criteria, and the evaluations committee's recommendation and the recommended proposer(s) shall have a total of ten (10) minutes to respond, divided between them as they wish. If a protest is timely filed with City of Coos Bay, City councilors will consider the evaluation committee's recommendation and the allegations of the protest before rendering a final decision and shall state the conclusions reached and reasons, either in writing or on record in a public meeting of the City council. Any decision to overturn the recommendation shall be based on a finding that one of the criteria above occurred to the substantial prejudice of the appellant.

#### **INSURANCE**

1. General Liability shall be a per occurrence form and must cover the time for which the work is being performed.
2. Proof of insurance of not less than the amount required is to be provided. Written notice of cancellation of insurance shall be provided to the City/Agency not less than 30 days prior to the date of cancellation.
3. If the City/Agency is required to use Federal or State insurance policy limits, or is subject to the Federal or State tort claim limits, the limits required through this directive shall be superseded by such limits.
4. If a claim occurs where the amount of the claim exceeds the insurance policy limits required by this directive, the contractor assumes full responsibility for the payment of such claim.
5. Insurance policy limits shall not be less than those listed in this directive without the consensus of the City Manager, City Attorney and the City Risk Manager of Record. Insurance policy limits may be waived at the discretion of the City/Agency. Insurance policy limits may be required to be higher based upon the City Manager's review of the specific application for which the certificate is required.
6. Tail Coverage": If any of the required liability insurance is on a "claims made" basis, recipient shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of the Contract/Agreement, for a minimum of 24 months following the later of:
  - (1) Recipient's completion of all services and the City's/Agency's acceptance of all services required under the Contract/Agreement, or
  - (2) The expiration of all warranty periods provided under the Contract/Agreement. Notwithstanding the foregoing 24-month requirement, if recipient elects to maintain "tail" coverage and the maximum time period "tail" coverage is reasonably available in the marketplace is less than the 24-month period described above, recipient shall maintain "tail" coverage for the maximum time period "tail" coverage is reasonably available in the marketplace for the coverage required.

#### **7. Definitions:**

Commercial General Liability: To cover bodily injury, death, and property damage. This insurance shall include contractual liability coverage for the indemnity provided under those listed in the Agreement/Contract, personal and advertising injury liability, products liability and completed operations liability. Coverage may be written in combination with Automobile Liability Insurance (with separate limits).

Professional Liability: To cover error, omission or negligent acts related to the professional services to be provided under the Agreement/Contract.

Automobile Liability: To cover each accident for bodily injury and property damage, including coverage for owned, hired, non-owned, leased, or rented vehicles as applicable. This coverage

may be written in combination with the Commercial General Liability Insurance (with separate limits).

**Builders Risk:** To cover structures being built, temporary structures at the building site, and building materials not yet having become part of the building. The building materials are covered while on the insured location, in transit, or in storage at another location.

**Installation Floater:** To cover materials, equipment, and personal property while in transit, installation, and until coverage terminates according to the terms of the floater. This coverage can cover the property of others in the contractor's care, custody or control that is often excluded under the contractor's general liability coverage.

**Umbrella Liability:** To cover excess liability over several of the insured's primary liability policies. An excess liability policy may be what is called a following form policy, which means it is subject to the same terms as the underlying policies; it may be a self-contained policy, which means it is subject to its own terms only; or it may be a combination of these two types of excess policies. Umbrella policies provide three functions:

- (1) To provide additional limits above each occurrence limit of the insured's primary policies;
- (2) To take the place of primary insurance when primary aggregate limits are reduced or exhausted; and
- (3) To provide broader coverage for some claims that would not be covered by the insured's primary insurance policies, which would be subject to the policy retention.

Most umbrella liability policies contain one comprehensive insuring agreement. The agreement usually states it will pay the ultimate net loss, which is the total amount in excess of the primary limit for which the insured becomes legally obligated to pay for damages of bodily injury, property damage, personal injury, and advertising injury.

Level 4 Insurance Requirements for Professional Services contracts/agreements:

Commercial General Liability Per occurrence	\$ 1,000,000
Professional Errors and Omissions liability (Per occurrence)	\$ 2,000,000
Workers' Compensation	Statutory Limit
Applicable Federal (e.g., Longshoremen's)	Statutory Limit
Employer's Liability	\$ 500,000
Umbrella/Excess Insurance (Per occurrence)	\$ 2,000,000
Automobile Liability (Per occurrence)	\$1,000,000

8. Should the Umbrella/Excess Insurance coverage combined with Commercial General Liability coverage not equal or exceed the minimum combined coverage shown, coverage must be increased to equal or exceed the minimum total coverage limits shown. If there is no Umbrella/Excess Insurance coverage, then the Commercial General Liability, Employers Liability, and Automobile Liability limits must be increased to equal or exceed the minimum total coverage limits shown. The Certificate of Insurance(s) and Endorsement(s) will be a part of the Contract and shall be provided to the City/Agency with endorsement(s) indicating that the Commercial General Liability insurance coverage is in effect which shall be primary and non-contributory with any insurance maintained by the City/Agency and include a per project aggregate (form CG 2503 05/09 or equivalent).

Such certificate(s) and endorsement(s) shall name the City/Agency as an additional insured commercial general liability, automobile liability, and umbrella liability policies. Copies of such endorsements or coverage enhancements shall be attached to the certificate. A waiver of subrogation under the workers' compensation and commercial general liability policies shall be provided. Thirty (30) days written notice shall be provided to the certificate holder prior to cancellation or significant modification of coverage. The Certificate of Insurance(s) and Endorsement(s) shall be provided to the City/Agency which will become a part of the Contract.

Insurance Coverage provided must be underwritten by an insurance company deemed acceptable by the City/Agency. The City/Agency reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.

Consultant will purchase and maintain property insurance for the entire work at the site on a replacement cost basis. Consultant shall obtain, at Consultant's expense, and keep in effect until final acceptance of the work performed under this contract, an Installation Floater or equivalent property coverage for materials, equipment, supplies, and tools to be used for completion of the work performed under this contract. The Installation Floater shall include coverage for testing, if applicable. The minimum amount of coverage to be carried shall be equal to the full amount of this contract. The Consultant will be responsible for any applicable deductibles.

9. Non-profits, community groups, and governmental entities that conduct meetings on city-owned property are exempt from the requirements of this administrative directive unless otherwise directed by the City Manager.

**EXHIBIT A**

**CITY OF COOS BAY  
PROFESSIONAL SERVICE AGREEMENT**