

**CONTRACT TO CONDUCT SPECIAL SERVICES FOR THE SACRAMENTO
METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT**

This Contract is entered into between the Sacramento Metropolitan Air Quality Management District (SMAQMD), a public agency of the State of California, and Sonoma Technology, Inc. (Contractor or STI).

1.0 Recitals

- 1.1 The Spare the Air campaign is part of the SMAQMD's public education effort.
- 1.2 The Spare the Air campaign is a cooperative regional campaign that involves a regional ozone forecasting and improved dissemination of the ozone forecast via ozone mapping technology.
- 1.3 Contractor was awarded a contract in 1996 as a result of the competitive bid seeking air quality forecasting services.
- 1.4 Since 1996, Contractor has become a national leader in developing and implementing ozone-mapping technology.
- 1.5 Per the SMAQMD Purchasing Policy adopted by the Board on June 6, 1996, the Air Pollution Control Officer (APCO) may waive the competitive bid process if prior experience and current research has shown that the desired services are only available from the sole source or if the cost of labor for preparing the documents exceeds the possible savings that could be derived from such detailed documents.
- 1.6 The APCO has waived the competitive bid process based upon Contractor's experience and qualifications and that Contractor is the only firm with the expertise, infrastructure and personnel to perform the many and diverse technical services required under this Contract.
- 1.7 The APCO is the Executive Officer of the SMAQMD.

2.0 Terms and Conditions

The parties agree to the terms and conditions listed below:

- 2.1 **Scope of Services:** Contractor will perform the services described in Exhibit A.

2.2 **Payments:** SMAQMD will make the payments outlined in Exhibit B to the Contractor so long as the Contractor is providing the services set forth in Exhibit A.

A. **Invoices:** Payment will be on a reimbursement basis. Contractor will submit one original and one duplicate monthly invoice to SMAQMD in a SMAQMD-approved format.

1. The invoice must include an itemization of Contractor and subcontractor staff costs, including: name, position, work tasks, date of service, date of meeting, meeting topics, number of hours worked, rate per hour and total cost.
2. The invoice must also include appropriate documentation for all costs and expenses.
3. Invoices that do not contain the information required under this section are incomplete and will not be paid until complete information is submitted.
4. SMAQMD will authorize payment to Contractor no later than 30 calendar days after receipt of a completed invoice.
5. Contractor must submit the final invoice within 30 days of the Contract termination date.

B. **Invoicing Limitations:** The following restrictions limit SMAQMD's obligation to pay invoices:

1. SMAQMD will reimburse Contractor only for Contractor's approved costs. The Contractor must document these costs through invoices, receipts and other appropriate records. SMAQMD will not, under any circumstances, reimburse Contractor for any commitments made by Contractor for services not yet performed.
2. Contractor is solely responsible for payment to all vendors, subcontractors and consultants used in the performance of this Contract. It is not the intent of SMAQMD and Contractor to create third party beneficiary rights in these entities.
3. In the event Contractor fails to comply with any provision of this Contract, SMAQMD may withhold payment until Contractor has corrected the noncompliance.
4. If this Contract involves media placements, Contractor may not retain commissions on media placements purchased for the benefit of SMAQMD. At the discretion of SMAQMD, the value of any commissions will be applied toward the purchase of additional SMAQMD media placement or discounted

from the total bill. Contractor will be paid an hourly rate for media placement services as provided for in this Contract.

- 2.3 **Contract Term:** The term of this Contract will commence upon execution of this document by all parties and terminate December 31, 2006.
- 2.4 **Applicable Laws/Choice of Law/Venue:** Contractor must observe and comply with all applicable laws and regulations. This Contract is executed in Sacramento County, California and is governed by the laws of the State of California. Any action arising out of this Contract must be filed in a state court or federal court located in Sacramento, California.
- 2.5 **Status of Contractor:** Contractor is an independent contractor, and no relationship of employer-employee exists between SMAQMD and Contractor, or Contractor's employees, subcontractors, or consultants. Accordingly, Contractor, its employees, subcontractors and consultants do not have any of the entitlements of a SMAQMD employee.
- A. **Direction and Control:** Contractor is subject to the control and direction of the APCO regarding the designation of tasks to be performed and the results to be accomplished under this Contract, but not the means, methods, or sequence used by Contractor for accomplishing the tasks and results.
 - B. **Direction of Third Parties:** If the Contractor employs any third persons, these persons will be under the exclusive control of Contractor. All terms of employment, including but not limited to hours, wages, working conditions, discipline, hiring, and discharging will be determined by Contractor.
 - C. **Right to Bind:** Neither the Contractor nor its employees, subcontractors or consultants have the right to act on behalf of SMAQMD in any capacity, or to bind SMAQMD to any obligation.
 - D. **Taxes:** SMAQMD will not make any deductions or withholdings from the compensation paid to Contractor. Contractor must issue all forms required by federal and state laws for income and employment tax purposes, including W-2 and 941 forms, for all of Contractor's assigned personnel.
- 2.6 **Conflict of Interest:** No officer or employee of SMAQMD has any pecuniary interest, direct or indirect, in this Contract or the proceeds of the Contract. No officer or employee of Contractor may serve on SMAQMD's governing body or hold any SMAQMD position which nominates, recommends, supervises or authorizes payment to Contractor.
- 2.7 **Nondiscrimination:**
- A. **Requirements:** Contractor must not discriminate based on:
 - 1. Color, race, creed, national origin, religion, sex, age, or physical or mental handicap in violation of Title VI of the Civil Rights Act of 1964 (42 U.S.C. Section 2000d) and its implementing regulations, or in violation of any other

state or federal law;

2. Sexual orientation as determined by federal, state, or local laws and regulations, except as may be required by federal, state, or local law or regulation.

B. Prohibited Discrimination: Prohibited discrimination under this Contract means disparate treatment on the basis of race, color, creed, national origin or sexual orientation. Discrimination includes, but is not limited to:

1. Denying persons any service or benefit which is different, or is provided in a different manner or at a different time from that provided to other participants under this Contract;
2. Subjecting persons to segregation or separate treatment in any matter related to the receipt of services;
3. Restricting persons in any way from the enjoyment of any advantage or privilege enjoyed by others under this Contract;
4. Treating persons differently from others in determining whether they satisfy any admission, enrollment quota, eligibility, membership, or other requirement that individuals must meet in order to be provided any service or benefit under this Contract;
5. Assigning times or places for the provision of services on the basis of race, color, creed, national origin or sexual orientation of the persons to be served.

2.8 Indemnification:

A. Scope: Contractor will indemnify and defend SMAQMD, its officers, agents, employees and volunteers from any and all liabilities of any kind that arise from any negligent or wrongful acts or omissions of Contractor in his/her performance of this Contract. SMAQMD will indemnify and defend Contractor, its board, officers, agents, and employees, from any and all liabilities of any kind that arise from any negligent or wrongful acts or omissions of SMAQMD in its performance of this Contract.

B. Counsel: Contractor will also use counsel reasonably acceptable to SMAQMD in carrying out its obligations under this section. The provisions of this section will survive the expiration or early termination of this Contract.

C. Although Contractor represents that it prepares air quality forecasts using the highest professional standards, the SMAQMD and Contractor recognize that forecasting is an inexact science and that there is no guarantee as to the accuracy of any individual forecast delivered under this Contract.

2.9 Waiver of Claims: Contractor waives any claims against SMAQMD, its officers, agents,

employees or volunteers from damage or loss caused by:

- A. Any suit or proceeding directly or indirectly attacking the validity of this Contract, or any part of this Contract.
- B. Any judgement or award: (i) declaring this Contract, or any part of this Contract, either void or voidable, or (ii) delaying the performance of any part of this Contract.

2.10 **Insurance:**

- A. **Insurance Requirement:** Contractor will maintain insurance to cover its operations throughout this Contract and any Contract extensions.
 - 1. The insurance must meet the requirements in Exhibit C.
 - 2. Any insurance or self-insurance maintained by SMAQMD will apply in excess of, and not contribute to, insurance maintained by Contractor.
 - 3. Contractor will give SMAQMD 30-days written notice prior to modifying the insurance obtained under this section. SMAQMD may object to the modification within 15 days of receiving the notice. If SMAQMD objects, it may demand the relief specified in paragraph 2.16 (B).
 - 4. This section does not limit Contractor's indemnification obligation in Section 2.8.
- B. **Involuntary Policy Modifications:** If Contractor's insurer modifies its insurance in any manner that affects the specifications in Exhibit C, Contractor must notify SMAQMD within 48 hours of the modification. SMAQMD may demand that Contractor obtain additional coverage sufficient to comply with the specifications in Exhibit C, or may terminate this Contract as provided in section 2.16 (B).

2.11 **Assignments and Subcontracts:** No performance required or payment due under this Contract may be subcontracted, delegated or assigned without the express written consent of the APCO. The sole exception to this restriction is this: if the Contractor submitted the name of a subcontractor in the proposal or application for this Contract, SMAQMD's approval of the Contract is also an approval of the use of the named subcontractor.

2.12 **Successors:** This Contract will bind the successors of SMAQMD and Contractor in the same manner as if they were expressly named.

2.13 **Alteration:** No alteration or variation of the terms of this Contract is valid unless made in writing and signed by both parties.

2.14 **Recordkeeping:**

- A. **Records:** Contractor will maintain all necessary records, books and accounts to verify that the Contract funds are used only for the purposes stated in this Contract.

- B. **Audits:** SMAQMD may audit all expenditures made by the Contractor under this Contract. Contractor must ensure that SMAQMD staff have access, at all reasonable times, to the documents kept by Contractor in connection with all funds expended under this Contract.
 - C. **Duration:** Contractor must maintain these documents for 5 years after the termination of this Contract and any Contract extensions. At the end of the 5 year period, Contractor must either continue to maintain the documents or surrender the documents to SMAQMD – unless the APCO states, in writing, that Contractor may destroy documents.
- 2.15 **Rights to Contracted Products:** All reports, research data, and every other work product of any kind or character arising from or relating to this Contract is the exclusive property of SMAQMD. SMAQMD may use these work products for any purpose whatsoever and has the sole right to the copyright or trademark for these work products.
- 2.16 **Termination:**
- A. **30-day Notice Termination:** Either SMAQMD or Contractor may terminate this contract for any reason by giving the other party 30-days written notice. If this contract is terminated under this paragraph, SMAQMD may proceed with the work in any manner deemed proper by SMAQMD without recourse by Contractor, its officers, agents, employees or volunteers.
 - B. **5-day Notice Termination:** SMAQMD, through its APCO, may terminate this Contract with 5 days written notice if Contractor fails to perform any of the terms and conditions of this Contract in the time and manner specified. If the Contract is terminated under this paragraph, SMAQMD may proceed with the work in any manner deemed proper by SMAQMD without recourse by Contractor, its officers, agents, employees or volunteers.
 - C. **Immediate Termination:** SMAQMD, through its APCO, may terminate or amend this Contract without prior notice if advised that funds are not available for this Contract or any portion of this Contract, or if funds are not specifically appropriated for this Contract in SMAQMD’s final budget for the term of this Contract and any extensions to the Contract. If SMAQMD terminates or amends this Contract under this paragraph, SMAQMD must serve notice of the action on the Contractor within two (2) working days. Contractor will be paid for expenses and work performed through the termination date as well as non-cancelable written commitments.
- 2.17 **Disputes:**
- A. **APCO Decision:** Any dispute under this Contract will be settled in a written decision by the APCO. The APCO must mail a copy of the decision to Contractor.

Contractor is not excused from performance of this Contract while the APCO’s decision is pending.
 - B. **Finality of the Decision and Exceptions:** The APCO’s decision is final unless Contractor files a written appeal with the SMAQMD Board of Directors within 30

from the date of the APCO's decision. Any appeal must detail the basis of the appeal and contain copies of all documentation supporting Contractor's position.

- C. **Appeals:** The SMAQMD Board will hear the appeal at a public Board meeting. The Contractor may present testimony and evidence supporting its position at the meeting. Contractor and SMAQMD will perform all duties and obligations in accordance with the APCO's decision pending final Board action. The decision of the Board is a final agency action and may be judicially appealed.
- 2.18 **Waiver of Contract Provisions:** Waiver by either party of any default, breach or condition precedent will not be construed as waiver of any other default, breach or condition precedent or right under this Contract.
- 2.19 **Time:** Time is of the essence in the performance of each of the provisions of this Contract.
- 2.20 **Severability:** If any provision of this Contract is held invalid or unenforceable, its invalidity or unenforceability will not affect any other provisions of this Contract, and this Contract will be construed and enforced as if such provision had not been included.
- 2.21 **Payments that contravene the law:** SMAQMD has no liability for payments that are found to contravene the law. Contractor will reimburse SMAQMD for any payments made by SMAQMD to Contractor and later determined to contravene federal, state or local laws and regulations.
- 2.22 **Contingency Clause:** This contract is subject to any contingency clauses stated in Exhibit B - Payment Schedule and Terms.
- 2.23 **Special Provisions – Congestion Management and Air Quality (CMAQ) Funds:**
- A. **Applicability:** _____ (SMAQMD staff to initial if CMAQ funds will be used.) This section applies only if the Contractor will receive CMAQ funds. Inclusion of this section is a requirement of the SMAQMD Disadvantaged Business Enterprise (DBE) Program for CMAQ-funded projects.
- B. **Provisions:** If all or some of the funds paid to Contractor are CMAQ funds, the following additional contract terms apply:
- i. **Subcontractor Payments:** The Contractor will pay each subcontractor for satisfactory performance no later than 10 days from the receipt of each payment the Contractor receives from SMAQMD. Any delay or postponement of payment from this time frame may occur only for good cause following written approval of SMAQMD. This paragraph applies to both Disadvantaged Business Enterprises (DBE) and nonDBE subcontractors.
- ii. **Retainage Releases:** The Contractor will release retainage payments to each subcontractor within 30 days after the subcontractor's work is satisfactorily

completed. Any delay or postponement of payment from this time frame may occur only for good cause following written approval of SMAQMD. This paragraph applies to both Disadvantaged Business Enterprises (DBE) and nonDBE subcontractors.

- iii. **Nondiscrimination:** The Contractor or subcontractor will not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Contractor will carry out applicable requirements of 49 CFR part 26 in the award and administration of Department of Transportation assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as SMAQMD deems appropriate. If there is a conflict between the provisions of this paragraph and section 2.4, this paragraph will control.

2.24 **Entire Agreement:** This Contract constitutes the entire agreement between SMAQMD and Contractor. Both parties revoke all prior or contemporaneous oral or written agreements between them that are inconsistent with this Contract. In the event of a dispute between the parties regarding the Contract, this Contract will be deemed to have been drafted by the parties in equal parts so that no presumptions or inferences concerning its terms or interpretation may be construed against any party to this Contract. This Contract consists of:

- A. This Contract
- B. Exhibit A – Scope of Services
- C. Exhibit B – Payment Schedule and Terms
- D. Exhibit C – Insurance Requirements

2.25 **Communications:** Any communication between the parties that is required under the provisions of this Contract must be in writing, and be either: (i) personally delivered, (ii) sent by prepaid, certified first class mail, return receipt requested, or (iii) sent by facsimile (provided confirmation of delivery is obtained at the time of transmission). Communications must be addressed to the parties as follows:

To Contractor	To SMAQMD
Donald Blumenthal, Ph.D Sonoma Technology, Inc 1360 Redwood Way, suite C Petaluma, CA 94954-1169 Fax: (707) 665-9800:	Norm Covell, APCO Sacramento Metropolitan AQMD 777 12 th Street, Third Floor Sacramento, CA 95814-1908 Fax: (916) 874-4805

- A. **Change of Address:** Either party may change the address for service by giving 15 days advance written notice to the other party.
- B. **Effective Date:** All notices will be effective upon receipt and will be deemed received: (i) upon delivery, if personally delivered, (ii) on the 5th day following

deposit in the mail, if sent by certified mail, or (iii) upon the date stated in the facsimile delivery confirmation, if sent by facsimile.

- 2.26 **Contract Manager: Kerry Shearer** is designated SMAQMD's Contract Manager for this contract. It is the responsibility of the Contract Manager to: 1) verify compliance with the terms and conditions of the contract, 2) determine that the work has been completed, 3) ensure that funding is available within the Contract to pay approved invoices, and 4) approve all invoices under the Contract.
- 2.27 **Authority to Bind:** The persons signing on behalf of the parties to this Contract warrant that they have the legal authority to execute the Contract.

Executed by:

Date: _____

Sacramento Metropolitan Air
Quality Management District

Illa Collin, Chair
Board of Directors

Approved as to form:

Kathrine Pittard
District Counsel

(SEAL)

ATTEST. _____
Clerk of the Board of Directors

Date: _____

Sonoma Technology, Inc.

Donald L. Blumenthal, Ph.D
Chief Executive Officer

Exhibit A
Scope of Services

A. **Ozone Forecasting (8-hr peaks)**

1. Issue an Air Quality Index (AQI) forecast (based on ozone) to the SMAQMD's Community Education Office (CEO) staff for the current and next day by 11:00 a.m. for the ozone season (May 1 through October 31).
2. Predict the daily, region-wide maximum ozone 8-hr peak as well as individual daily 8-hr peaks for the Sacramento, Placer, Yolo-Solano, and El Dorado counties during the ozone season.
3. Issue two-to-five-day ozone forecasts for the Sacramento region by 11:00 a.m. for the ozone season.
4. Attend a pre-season kickoff meeting in Sacramento each year to plan for forecasting and other services.
5. Report air quality and weather forecast information daily to the SMAQMD's CEO staff by 11:00 a.m. and be available to provide air quality data to CEO staff and answer their questions on an "as-needed" basis until 5:00 p.m. STI's duty forecaster shall be available to SMAQMD's CEO staff after 5:00 p.m. via cell phone.
6. Download the latest ozone data and notify CEO staff of the highest 8-hr ozone concentration reached by 5:00 p.m. This service will only be required on days when a Spare The Air notice has been issued by CEO staff. Assume 40 potential or actual Spare The Air days.
7. Upon referral by CEO staff, interact with the news media regarding the more technical aspects of the forecasting process. Contacts with news media will be set up in advance by CEO staff.
8. Prepare a written document evaluating the ozone forecasting results to add to Sacramento's ozone forecasting web page for each ozone season.
9. Attend an end-of-season meeting in Sacramento each year, with specific dates to be determined by mutual agreement between the Air Districts and STI in accordance with project needs.

B. **AirAlert Operations**

1. Operate AirAlert from May 1 through October 31.
2. Monitor ozone data hourly between 8:00 a.m. and 10:00 p.m. and send out AirAlerts when ozone concentrations exceed specified levels. In addition, send out AirAlerts for Spare The Air advisories, health advisories, and for the daily ozone forecasts.
3. Modify AirAlert software to improve operational reliability. Modify web pages to reflect any new AirAlert options. Improve and enhance data quality control as new problems are identified.
4. Survey AirAlert participants at the end of each ozone season and report findings to the SMAQMD.

C. Data Collection to Support Ozone Mapping

1. Operate a data-polling computer to call ozone monitors in the greater Sacramento region.
2. Collect data from the region's air monitoring network every hour from 8:00 a.m. to 10:00 p.m. from May 1 through October 31.
3. Make modifications to data polling software to account for any data logger changes, new parameters being measured, etc.
4. Ensure that ozone data are transferred to the AIRNow Data Management Center. Ensure that all AIRNow ozone maps (movies and still images) are transferred to the Spare The Air web site.

D. Web Site Hosting and Maintenance

1. Operate a web server with ColdFusion (or similar interactive web software) to run the SpareTheAirNow.com and myAirAlert.net domains. In addition, run several pages for reporting real-time air quality data to the public and a private page for reporting information to CEO staff. Maintain and upgrade the news page and the news management page at SpareTheAir.com. Provide maintenance as required for the SmogCity.com and AirShare.info sites. Operate these web sites year-round. Link SpareTheAirNow.com and the home page of SpareTheAir.com live into ozone mapping and data reporting databases during the ozone season (May 1 to October 31) for each year.
2. Make changes and improvements to the web sites as directed by CEO staff.
3. Maintain and fix any problems with the web sites, pages, and their functionality during the ozone season.

E. Scientific/Technical Consulting

1. Provide up to 50 hours scientific and technical support to address issues that arise during the ozone season. The SMAQMD will have access to STI's scientists and technical staff to address issues including, but not limited to:
 - Meteorological analysis
 - Air quality health effects
 - Emissions types and sources
 - Monitoring and quality assurance
 - Transportation policy
 - Software support
2. CEO staff will approve all work under this task in writing prior to STI staff beginning work.

**Exhibit B
Payment Schedule and Terms**

1. Contractor must perform and complete all work required under this Contract in a professional manner and in accordance with the professional standards observed by competent practitioners of the profession in which Contractor, its subcontractors or agents, are engaged.
2. The maximum amount available under this three year Contract is \$273,264. It is the Contractors’s responsibility to complete the tasks under this Contract, including expenses and direct costs, while remaining within this budget.
3. The APCO has the sole discretion to determine whether Contractor has successfully completed the tasks.
4. The APCO may move funds between tasks or fiscal years to facilitate completion of the work.
5. Contractor will be reimbursed for approved expenses and direct costs. Approved direct costs include: weather data subscriptions fees, telephone data polling charges, computer supplies, fax charges, and computer and web server rental. All expenses and direct costs must be drawn from the appropriate Task revenue account.

Table 1 - Funding for the 2004-2006 Sonoma Technology, Inc. Contract is as follows:

Task	Revenue Account	Funding Source	Calendar Year 2004	Calendar Year 2005	Calendar Year 2006
Ozone forecasting (8-hour peaks)	95958900	CMAQ	\$57,472	\$57,472	\$57,472
AirAlert operations	95958900	CMAQ	\$6,452	\$6,452	\$6,452
Data collection to support ozone mapping	95958900	CMAQ	\$8,174	\$8,174	\$8,174
Web site hosting, programming and maintenance	95958900	CMAQ	\$13,620	\$13,620	\$13,620
Scientific/technical consulting	95958900	CMAQ	\$5,370	\$5,370	\$5,370
Totals:			\$91,088	\$91,088	\$91,088
Three-year total:			\$273,264		

Fiscal Year Budget						
Revenue Account 95958900 CMAQ Funding	2004 Budget		2005 Budget		2006 Budget	
	F/Y 03/04	Fiscal Year 2004	Year / 2005	Fiscal Year 2005	Year / 2006	FY 06/07
All Services	April – Jun 30	Jul 1 – Dec 31	Jan 1 – Jun 30	Jul 1 – Dec 31	Jan 1 – Jun 30	Jul 1 – Dec 31
Total budget by fiscal year	\$34,213	\$56,875	\$34,213	\$56,875	\$34,213	\$56,875
Contract Total:	\$273,264.00					

The above table represents our best estimate of the spending within each (up to) six month period over the term of the Contract.

Table 2 -

**Job Classifications and Rates
2004 Government T&M Rates**

Hourly Rate	Labor Category
\$55.00	Jr. AQ Modeler
\$61.00	AQ Modeler
\$73.00	AQ Modeler I
\$80.00	AQ Modeler II
\$90.00	AQ Modeler III
\$106.00	Sr. AQ Modeler
\$50.00	Computer Hardware/Software Engineer Intern
\$70.00	Jr. Computer Hardware/Software Engineer
\$85.00	Computer Hardware/Software Engineer
\$93.00	Computer Hardware/Software Engineer I
\$113.00	Sr. Computer Hardware/Software Engineer
\$62.00	Junior Computer Programmer/Analyst
\$69.00	Computer Programmer/Analyst
\$76.00	Computer Programmer/Analyst I (Forecaster)
\$90.00	Computer Programmer/Analyst II
\$99.00	Computer Programmer/Analyst III (Senior Forecaster)
\$107.00	Sr. Computer Programmer/Analyst
\$35.00	Data Technician Intern
\$47.00	Data Technician
\$59.00	Data Technician I
\$55.00	Junior GIS Specialist
\$61.00	GIS Specialist
\$73.00	GIS Specialist I
\$80.00	GIS Specialist II
\$90.00	GIS Specialist III
\$106.00	Senior GIS Specialist
\$123.00	Contracts Manager
\$145.00	Office Manager
\$165.00	Associate Principal
\$170.00	Principal
\$115.00	Jr. Project Manager
\$126.00	Project Manager/Research Scientist
\$132.00	Project Manager I/Research Scientist I
\$141.00	Project Manager II/Research Scientist II
\$147.00	Project Manager III/Research Scientist III
\$158.00	Chief Scientist
\$190.00	Sr. Project Manager/Sr. Research Scientist III
\$32.00	Publications Specialist Intern
\$48.00	Publications Specialist
\$56.00	Publications Specialist I
\$63.00	Publications Specialist II
\$69.00	Junior Publications Manager
\$83.00	Publications Manager

To ensure timely completion of this project, the Contractor Manager may substitute other junior and midlevel staff with comparable experience and rates for those proposed. Substitution of senior staff will not be done without prior written approval of the APCO.

The salary rates noted in Table 2 identify the rate that the SMAQMD will pay for work performed at the payroll title levels until January of 2005. The SMAQMD may request that specific tasks be performed by selected individuals deemed by SMAQMD to have unique abilities.

It is understood that in January of each year of this Contract, STI will submit to the Contract Manager, a new Government Time and Materials Rate Sheet for all employees associated with this Contract. These increases will become part of this Contract.

A. Acceptable Fees

1. SMAQMD will only pay for actual time spent completing an authorized task, with the time rounded to the nearest fifteen-minute increment.
2. During critical air pollution episodes, Contractor may require the services of several of Contractor's employees working as a team. In these instances, Contractor is required to use only as many employees as is reasonably necessary to perform the work.

B. Unacceptable Fees – The SMAQMD will not pay fees associated with the following:

1. Preparing bills and invoices
2. Responding to billing inquiries from any entity
3. Review of this contract with the SMAQMD
4. Improper staffing assignments (e.g., specialized personnel performing routine research tasks). If specialized personnel perform routine research, they should be billed at the rate for persons that ordinarily perform the research.
5. Employee courier services
6. More than two attendees at a meeting, SMAQMD sponsored event, SMAQMD staff meeting, community event or similar event unless approved in writing in advance by the APCO (except as described in A-2 above).
7. Staff overtime
8. Arranging travel and accommodations
9. Collating or velobinding
10. Time involved in sending or receiving faxes

C. Expenses

1. Itemization. The SMAQMD requires expenses to be itemized by date incurred and by category (e.g., photocopy, long distance telephone, parking).
2. Detail. Each expense item must be adequately detailed so as to enable the SMAQMD to determine the exact nature, purpose and necessity of the expense.
3. Payment. All routine expenses should be paid directly by the Contractor and billed to the SMAQMD as disbursements. Actual receipts must be attached to your bill
4. Telephone charges. The SMAQMD will pay actual, necessary long distance phone call charges as documented by records or receipts.
5. Travel. If SMAQMD requests Contractor to travel to meetings or events, Contractor will be reimbursed expenses such as: mileage, meals, parking and bridge toll charges. SMAQMD will not pay additional fees or charges for travel. Travel reimbursement will be consistent with the SMAQMD Travel Policy.

- D. Format of Invoices Invoices shall clearly reference:
1. The billing period
 2. Contractor's tax identification number
 3. Actual time spent on task
 4. Name and rate of person performing the task
 5. Detailed description of the work performed, broken down to specify a single task
 6. Billing in fifteen minute increments
 7. Itemized fees or expenses
- E. Non reimbursable costs: Due to funding constraints on money used to partially fund this Contract, SMAQMD will not reimburse the Contractor for any costs associated with administering the Contract, including, but not limited to:
1. Administrative. Conference reports, billing costs, supplies, copying, printing, postage, packaging, telephone calls and fax calls.
 2. Other. Costs of personnel associated with making travel arrangements, general clerical support, per-diem expenses or "overhead" costs, such as rent or utilities.
- F. Section 2.2 of this Contract contains additional reporting and fiscal requirements.

Exhibit C
Insurance Requirements

Without limiting Contractor's indemnification, Contractor will procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives or employees. SMAQMD will retain the right at any time to review the coverage, form, and amount of the insurance required hereby. If, in the opinion of the SMAQMD's Liability & Property Insurance Office, the insurance provisions in these requirements do not provide adequate protection for SMAQMD and for members of the public, SMAQMD may require Contractor to obtain insurance sufficient in coverage, form and amount to provide adequate protection. SMAQMD's requirement must be reasonable but will be imposed to assure protection from and against the kind and extent of risks that exist at the time a change in insurance is required.

Verification of Coverage

Contractor will furnish SMAQMD with certificates evidencing coverage required above. Certified copies of required endorsements must be attached to provided certificates. All certificates are to be received and approved by SMAQMD before work commences. SMAQMD reserves the right to require that Contractor provide complete, certified copies of any policy of insurance offered in compliance with these specifications. As an alternative to insurance certificates, the Contractor's insurer may voluntarily provide complete, certified copies of all required insurance policies, including endorsements, effecting the coverage required by these specifications.

Minimum Scope of Insurance

Coverage will be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
3. Worker's Compensation insurance as required by the State of California.
4. Employer's Liability Insurance.

Minimum Limits of Insurance

Contractor will maintain limits no less than:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit will apply separately to this project/location or the general aggregate limit will be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

3. Workers' Compensation: Statutory
4. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

Deductible and Self-Insured Retention

Any deductibles or self-insured retention must be declared to and approved by SMAQMD. At the option of SMAQMD, either: the insurer will reduce or eliminate such deductibles or self-insured retention as respects SMAQMD, its officers, officials, employees and volunteers; or the Contractor will procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. SMAQMD, its officers, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; or premises owned, occupied, or used by the Contractor; or automobiles owned, leased, hired or borrowed by the Contractor. The coverage may not contain special limitations on the scope of protection afforded to SMAQMD, its officers, officials, employees, agents or volunteers.
2. For any claims related to this project, the Contractor's insurance coverage will be primary insurance as respects SMAQMD, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by SMAQMD, its officers, officials, employees, agents or volunteers will be excess of the Contractor's insurance and will not contribute to it.
3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties will not affect coverage provided to SMAQMD, its officers, official, employees, agents or volunteers.
4. The Contractor's insurance will apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. The SMAQMD Liability and Property Insurance Manager may waive or alter this requirement, or accept self-insurance in lieu of any required policy of insurance if, in the opinion of the Risk Manager, the interests of SMAQMD and the general public are adequately protected.