

**CONTRACT NAME: AGREEMENT BETWEEN CAPITAL PROGRAM
MANAGEMENT INC. AND DAVIS JOINT UNIFIED SCHOOL DISTRICT**

BRIEF DESCRIPTION OF CONTRACT: This licensing agreement provides DJUSD with Capital Program Management's Master Program Workbook software, an expenditure tracking system to be used for Measure M Bond project management. The software will be used to track all associated funding for bond projects and link to individual project budgets, expenditures and contracts for the Measure M Bond Program.

FISCAL IMPACT: The \$51,500 cost of these services will be covered in the Building Fund from Measure M bond revenue.

December 13, 2018

Dave Burke
Director of Facilities, Maintenance and Operations
Davis Joint Unified School District
526 B Street
Davis, CA 95616

Subject: Proposal and Letter of Engagement for Master Program Workbook (MPW) Implementation for Measure M Bond Program, including updating the MPW with Bond expenditures and CBOC presentations for the first year

Dear Mr. Burke

I enjoyed the opportunity to meet with you and your staff, and was impressed by the foresight with which you are approaching your bond program. Capital Program Management, Inc., ("CPM") is pleased to provide this Proposal and Letter of Engagement to Davis Joint Unified School District for accounting services related to the Measure M Bond Program. A general description of the Scope of Services under this proposal is below, and more specifically described in Exhibit A.

Scope of Work:

1. Provide the District with CPM's Master Program Workbook (MPW), a comprehensive multi-worksheet Excel Workbook used to track project budgets, expenditures and contracts for small Bond Programs.
2. Customize the MPW for Davis Joint USD's Measure M Bond Program.
3. Assist the District with the preparation of cash flow analysis and projected escalation cost calculations as needed and directed by the District.
4. Assist the District with the development of internal accounting processes and procedures to ensure the ongoing integrity of the Master Program Workbook
5. Assist the District with the preparation of customized reports to be provided to the Citizens' Bond Oversight Committee (CBOC), as needed and directed by the District.
6. Update the MPW with actual Bond expenditures and encumbrances
7. Make quarterly presentations to the CBOC for the first year.

CPM represents that it is skilled in performing work of a similar nature and will perform its work in accordance with the applicable professional standard of care. CPM will commence its work promptly upon Board approval and shall continue until June 30th, 2020 or until notified by you that CPM's services are no longer required.

CPM shall be compensated for performance of the Services based upon **hours actually expended** in performing the services per Exhibit A, at the rates established in Exhibit B, for an estimated fee budget of Fifty-One Thousand Five Hundred Dollars (\$51,500), including reimbursable expenses incurred as provided in Exhibit C.

Fee Summary

Fee budget based on estimated hours needed through **June 30, 2020**

- 1. CPM's Master Program Excel Workbook (Flat Fee) \$7,500
 - 2. MPW Customization & Setup with District Data..... 9,500
 - 3. Create worksheet to assist with establishing initial Budgets..... 2,500
 - 4. Cash Flow / Escalation Cost Analysis..... 2,500
 - 5. Process and Procedure Assistance..... 1,500
 - 6. CBOC Reporting Customization, if needed 1,500
 - 7. Update the MPW with live data as of the "go live" date..... 2,500
 - 8. Staff Training 4,000
- Subtotal \$ 31,500**

- 9. (Optional) MPW Updates with Live Data and CBOC Presentations for the First Year (4 presentations)..... 18,000

Estimated Fee Budget for Services \$ 49,500
Reimbursable Allowance 2,000
Total Estimated Fee Budget \$51,500

Attached to this letter, as Exhibit D, are the Standard Terms of our Services. The Standard Terms, along with the terms set forth in this letter and its Exhibits constitute the entire Agreement for our Services. Please sign this letter where indicated and initial each page of the attached Standard Terms. Please keep a copy of this letter for your records.

We look forward to working with Davis Joint Unified School District to provide accounting services and being part of the Team to make Measure M a successful Bond Program.

Sincerely,
CAPITAL PROGRAM MANAGEMENT, INC.

Mr. Wallace E. Browe
President

- Encl.: Exhibit A - Scope of Services
Exhibit B – Schedule of Hourly Rates
Exhibit C – Allowable Reimbursable Expenses
Exhibit D – Standard Terms

The undersigned hereby approves the foregoing Agreement for professional services comprised of this letter, its Exhibits and the accompanying Standard Terms.

For: Davis Joint Unified School District

Dated: _____

By: _____

Print: _____



EXHIBIT A
SCOPE OF SERVICES
MASTER PROGRAM WORKBOOK IMPLEMENTATION
FOR THE MEASURE M BOND PROGRAM

Master Program Workbook (MPW) Implementation for the Measure M Bond Program:

Note that CPM will perform the services described in this exhibit at the direction of the Owner (District). It is not required that all services listed below be performed or performed in the sequence in which they are listed.

1. Provide the District with CPM's Master Program Workbook (MPW), a comprehensive multi-worksheet Excel Workbook used to track project budgets, expenditures and contracts for small Bond Programs. The price for the basic workbook is \$7,500.
2. Customize the MPW for DJUSD Measure M Bond Program.
 - a. Set up the Master Program Budget (MPB) worksheet to include all associated funding for Bond projects and link to individual Project budgets and Program Expense budget worksheets.
 - b. Create individual Project Budget Detail worksheets for each of the Measure M projects, approximately 15 projects. Includes entering preliminary budget amounts provided by the District.
 - c. Set up the Object Code Master worksheet with the District's object codes.
 - d. Set up the Project Expenditure Summary worksheet with all Measure M projects and funding sources to provide the District with a quick summary of expenditures by project, by fund, by fiscal year.
 - e. Set up the Fund Balance Summary worksheet to facilitate a quick verification of available Bond Funds.
 - f. Set up the Funding Modification Detail Log worksheet for the District's specific funding sources.
 - g. Set up the Project Master List worksheet to include all the Measure M projects and the District's specific account code components.
 - h. Set up the Project Budget Detail worksheet template, revising formulas to match the District's coding system, e.g. use of a Department number to identify projects.
 - i. Set up the Commitment Management function in the MPW by setting up the Commitment Summary and Commitment Item Detail worksheets. Depending on the number of contracts/Purchase Orders, this can be a time-consuming task.
3. Create a separate Excel worksheet within the MPW workbook to assist the District with establishing initial project/program budgets using Architect estimates and established percentages for soft costs and contingency allowances, as needed and directed by District.
4. Assist the District with the preparation of cash flow analysis and projected escalation cost calculations to aide in determining bond issuance schedule, as needed and directed by the District.
5. Assist the District with the development of internal accounting processes and procedures to ensure the ongoing integrity of the Master Program Workbook.
6. Assist the District with the preparation of customized reports to be provided to the Citizens' Bond Oversight Committee, as needed and directed by the District.
7. Assist the District with updating the MPW with expenditure and encumbrance activity on the Bond as of the date customization of the MPW is completed.

8. Provide training to staff on the use of the MPW. This includes two days of classroom type training sessions and one-on-one individual training as needed.

9. (Optional) One Year Data Updates and CBOC presentations.
For the first year, on a quarterly basis, update the MPW with expenditure and encumbrance data downloaded from the District's accounting system and make any necessary budget modifications to ensure the Program is in balance. Meet with District staff to review the quarterly reports resulting from these updates and then present these reports to the Measure M Citizens' Bond Oversight Committee for the first year (4 presentations).

EXHIBIT B
SCHEDULE OF HOURLY RATES

		Davis Joint Unified School District Master Schedule of Hourly Rates	2019
PIC	President		\$197
	Vice President		\$197
	Principal-In-Charge		\$197
Planning & Program Management Practice	Program Director		\$197
	Senior Program/Project Manager		\$197
	Program/Project Manager		\$174
	Assistant Program/Project Manager		\$152
	Program Coordinator II		\$135
	Program Coordinator I		\$96
	Senior Estimator		\$174
	Estimator		\$135
	Senior Scheduler		\$174
	Scheduler		\$135
	Clerical		\$58
	Budget & Accounting Practice	Director of Budget & Accounting	
Budget & Accounting Manager			\$186
Applications Specialist			\$174
Senior Budget Analyst			\$174
Budget Analyst			\$135
Asst. Budget Analyst			\$102
Contract Management Practice	Director of Contract Management		\$197
	Senior Contract Manager		\$186
	Contract Manager		\$174
	Contract Administrator		\$152
	Assistant Contract Administrator		\$102

Footnote: Standard hourly rates are subject to change based on mutually agreed amount, not to exceed 4% per year, beginning January 1, 2020.

EXHIBIT C

ALLOWABLE REIMBURSABLE EXPENSES

CPM will be reimbursed for reasonable expenses incurred in conjunction with the project. The items allowable for reimbursement are as follows:

1. Cost of travel between sites within the District (none expected).
2. Cost of printing and distributing documentation and reports.
3. Cost of postage, UPS, Federal Express, and other deliveries.

Reimbursable expenses will be billed to the Owner at direct cost plus 5%.

EXHIBIT D

STANDARD TERMS

1. Effective Date

This Proposal and Letter of Engagement ("Agreement") becomes effective after an authorized representative of Davis Joint Unified School District ("Owner" or "you") sign it and return it to Capital Program Management ("CPM" or "PM" or "we"). When signed and returned, the Agreement will be retroactive to the date we first performed services on your behalf. If we have performed professional services at your request while waiting for you to sign and return this Agreement, you will still be required to pay for those services even if you decide not to sign and return this Agreement.

2. Reimbursable Costs

We will incur on your behalf various costs and expenses in performing professional services under this Agreement. Expenses outlined in Exhibit C, and other items as required with prior approved from the District, will appear on your monthly statement as separate items.

All costs and expenses are billed at cost plus 5%. In some instances, invoices for outside services will be sent directly to you for payment. You agree to pay the costs itemized on your statements in addition to the hourly fees.

3. Billing Statements

We will send you statements on a regular basis for fees and costs incurred. In the usual case those statements are sent to you once a month and they reflect the work performed, the date of the work, the amount of time spent, and the identity of the person(s) performing the work along with a detail of the costs CPM has incurred on your behalf. Payment of each statement will be due within 30 days of the statement date.

4. Indemnification

You, the client, will agree, to the fullest extent permitted by law to defend, indemnify and hold harmless CPM, its officers, directors, employees and subcontractors (collectively CPM) against any damages, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by Client's negligence or willful misconduct in the performance of its obligations under this Agreement

5. Insurance

The PM shall procure and maintain insurance on all of its operations during the progress of its work on the Project, with reliable insurance companies, on forms acceptable to the Owner, for the following minimum insurance coverage:

- a) Workers' Compensation insurance and occupational disease insurance, as required by law, and employer's liability insurance, with minimum limits of \$1,000,000, covering all workplaces involved in this Agreement.
- b) Commercial general liability insurance, with limits of not less than as indicated in either (1) or (2) as follows: (1) Bodily Injury Liability - \$1,000,000 each person, \$1,000,000 each occurrence; Property Damage Liability - \$1,000,000 each occurrence, \$1,000,000 aggregate; (2) A single limit for

Bodily Injury Liability and Property Damage Liability Combined of \$1,000,000 each occurrence and \$1,000,000 aggregate.

c) Professional Liability Insurance for the Program, written on a "Claims Made Basis," with limits of liability in amounts not less than \$1,000,000, insuring the PM against liabilities arising out of or in connection with the negligent acts, errors, or omissions of the PM in connection with the carrying out of its professional responsibilities for the Program.

d) The PM shall also provide Certificates of Insurance, or other evidence of insurance as requested by Owner, to Owner within thirty (30) days after receipt by the PM of a signed version of this Agreement. The certificates shall provide that there will be no cancellation, reduction, or modification of coverage without ten (10) days' prior written notice to Owner.

6. Client's Duties

You agree to be truthful with us, to cooperate, to keep us informed of developments that relate to our services, to abide by this Agreement, to pay our bills on time, and to keep us advised of your current address, telephone number and e-mail address.

You also agree to respond promptly, fully and accurately to requests for information or documents and to other requests for assistance made by CPM.

7. Termination

You may discharge us at any time. We may withdraw with your consent or for good cause, subject to an obligation to give you reasonable notice to arrange an alternate company offering similar services. Good cause includes your breach of this Agreement, refusal to cooperate with us or follow our advice on a material matter, or any fact or circumstance that would render our continuing services unlawful or unethical.

We will notify you in writing when our services are concluded. After our services are concluded, we will, upon your request, deliver your file to you, along with property of yours in our possession.

8. Entire Agreement

This statement of standard terms and the letter to which it is attached constitutes the entire agreement between you and CPM. No other agreement, statement, or promise made on or before the effective date of this Agreement will be binding on the parties.

9. Severability

If any provision of this Agreement is held in whole or in part to be unenforceable for any reason, the remainder of that provision and of the entire Agreement will be severable and will remain in effect.

10. Modification

This Agreement may be modified by subsequent Agreement between you and CPM only by a writing signed by both parties.

11. Mediation & Arbitration

In the event that a Claim remains unresolved after mediation pursuant to Public Contract Code Section 22200, et seq., the Claim shall be decided by binding arbitration in accordance with Public Contract Code Sections 10240-10245.4, and the implementing regulations contained in Title 1 of the California Code of Regulations then in effect. The hearing in any arbitration under this provision shall be held in Sacramento County.

12. California Law

This Agreement is deemed to be entered into at our principal office in Sacramento, California and shall be interpreted according to California law, excluding its conflict of laws provisions.

13. Negotiated Agreement

The scope of CPM's services in this matter is fully set forth in the letter which accompanies this Agreement as are any additional terms relating to those services.