



**MEMORANDUM**  
**COMMUNITY DEVELOPMENT RESOURCE AGENCY**  
**BUILDING SERVICES DIVISION**  
County of Placer

**TO:** Honorable Board of Supervisors **DATE:** September 13, 2022  
**FROM:** David W. Kwong, Community Development Resource Agency Director  
**BY:** Randall Befort, Building Services Manager  
**SUBJECT:** Inspection Service Contract with Shums Coda Associates for the Placer Retirement Residence located at 3905 Old Auburn Rd, Roseville, CA 95661 APN 468-060-052-000.

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**ACTION REQUESTED**

1. Authorize the Building Services Division Deputy Director or designee to execute a contract with Shums Coda Associates to provide inspection services for the Placer Retirement Residence Project and authorize the Building Services Division Deputy Director or designee to execute any subsequent amendments to this contract.

**BACKGROUND**

Large commercial projects, defined as those projects exceeding the five-million-dollar threshold established in the Building Services Division's fee schedule, often require specialized plan review and inspection services. The specialized services needed for large commercial projects include comprehensive expedited plan review and inspection services, after-hours and weekend inspections, and technical capabilities which are outside the usual course of business for the Building Services Division. As a result, plan review and inspection services for large commercial projects are not normally handled by County staff, rather they are accomplished through a contract with a private consulting firm.

This type of contractual arrangement has been used successfully with other large developments in providing services outside the Division's normal course of business. It allows the developer to move forward at an expedited pace while the County ensures its State mandated California Code of Regulation, Title 24, requirements are met (Health and Safety Code 18941.5).

Staff proposes a contract between the County and Shums Coda Associates (Consultant) to perform the building code required inspection services for this project. The Building Services Division analyzed the consulting firm to ensure conformance with the independent contractor criteria (Attachment B).

The contract outlines provisions for payment from Placer County Retirement Residence LP for the Placer Retirement Residence project based upon inspection services performed by the Consultant (Attachment A). The consultant will be paid from funds required under the contract to be deposited in advance by the applicant, Placer County Retirement Residence LP (Attachment A, Exhibit 3). The initial deposit represents .5% (inspections only) of the valuation of the project (Attachment A, Exhibit 4) as determined by the Building Services Division fee schedule, minus the standard fee due to the County.

The contract is for the performance of field inspection services. Prior to commencement of

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inspection services, the applicant will be required to deposit funds based on the previously described valuation and complete any remaining permit application process such as paying mitigation and other fees. If the initial deposit is depleted prior to completion of the project further services will be suspended until the applicant deposits additional funds with the County. As a result, no County funds will be utilized to satisfy this contract.

The contract will be for an initial three-year term with two extensions of one year each or until the construction is completed, whichever is earlier. The contract requires the Consultant to procure/maintain insurance in the amounts identified by Risk Management (Attachment A, Exhibit 2). The scope of services further requires the consultant to maintain inspection records, submit invoices and details in a form acceptable to the County (Attachment A, Exhibit 1).

### **FISCAL IMPACT**

There is no net County cost associated with this action as all costs for County services, and the inspection services by the Consultant, will be paid by the applicant.

### **ATTACHMENTS**

Attachment A: Contract

Exhibit 1: Scope of services

Exhibit 2: Insurance

Exhibit 3: Consultant's Proposal

Exhibit 4: Building valuation data supplement

Attachment B: Independent Contractor Verification

# ATTACHMENT A

**Administering Agency:** Placer County Community Development Resource Agency, Building Services Division

**Agreement No.:**

**Agreement Description:** Contract with Shums Coda Associates for Inspection Services of the Placer Retirement Residence

## CONSULTANT SERVICES AGREEMENT

THIS AGREEMENT is made at Auburn, California, by and between the County of Placer, a political subdivision of the State of California (hereinafter called the "COUNTY"), Shums Coda Associates (hereinafter called the "CONSULTANT"), and Placer County Retirement Residence LP (hereinafter called the "APPLICANT"), collectively referred to as the "PARTIES".

Whereas, APPLICANT has an approved development project consisting of new 139,135 square foot building, detached garages and accessory structures known as the Placer Retirement Residence (the "PROJECT") located at 3905 Old Auburn Rd, Roseville, CA 95661; APN 468-060-052-000, and

Whereas, APPLICANT wishes to proceed with construction of the PROJECT, and

Whereas, the PROJECT requires expedited inspection services (hereinafter sometimes collectively referred to as "SERVICES"), and

Whereas, the COUNTY does not have the staffing resources necessary for this higher-level work demand, and

Whereas, in such instances the COUNTY'S practice is to retain a qualified consulting firm to provide such SERVICES on behalf of the COUNTY, and

Whereas, based on the terms and conditions set forth below, CONSULTANT has agreed to perform SERVICES on the PROJECT for the County, and the APPLICANT has agreed to pay for the costs of performing the SERVICES.

### 1. CONSULTANT DUTIES AND OBLIGATIONS

- a) CONSULTANT agrees, during the term of this AGREEMENT, to perform the plan inspection services described in the Scope of Services, attached hereto as Exhibit 1 and incorporated herein by reference. CONSULTANT shall not begin work until notified by the COUNTY that monies for said work have been deposited by the APPLICANT. Should monies on deposit be depleted prior to CONSULTANT'S completion of work, CONSULTANT agrees and acknowledges that all work will immediately cease upon notice from COUNTY and not recommence until subsequent notice by COUNTY.
- b) CONSULTANT shall be obligated to devote as much of its attention, skill, and effort as may be reasonably required to perform the SERVICES in a professional and timely manner.
- c) CONSULTANT agrees and understands that the SERVICES to be performed under this AGREEMENT are to be performed for and in cooperation with the COUNTY and its staff and that

CONSULTANT'S duty is solely to COUNTY, and not to APPLICANT. CONSULTANT shall request and receive direction from COUNTY only with respect to performance of any of the work described herein.

- d) CONSULTANT agrees that it is not presently engaged in, and during the term of this AGREEMENT will not enter into, any contract with APPLICANT that may impair CONSULTANT'S ability to render complete, fair and impartial advice to COUNTY or may otherwise directly or indirectly be adverse to the interests of COUNTY.
- e) CONSULTANT shall submit all documents and work product directly to the COUNTY without prior review or comment from APPLICANT. CONSULTANT shall not act as a consultant to APPLICANT or any other individual or entity associated with or affected by the PROJECT in any manner that would conflict with CONSULTANT'S responsibilities to the COUNTY during the term of this AGREEMENT. CONSULTANT shall not meet with the APPLICANT or its representatives without either COUNTY staff in attendance or the prior approval of COUNTY. All communications, including e-mail, must include a copy to the COUNTY, unless COUNTY approves otherwise.

Notwithstanding the preceding paragraph, CONSULTANT may from time-to-time contact APPLICANT to receive additional information on the PROJECT in order to assist CONSULTANT in the performance of its duties hereunder. However, prior to any such contact, CONSULTANT shall first contact COUNTY to discuss the scope of this contact and provide COUNTY with a written summary of the discussion with APPLICANT.

- f) CONSULTANT shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing SERVICES pursuant to this Agreement.
- g) CONSULTANT shall maintain, at all times, complete detailed records with regard to work performed under this Agreement. CONSULTANT shall submit monthly reports to COUNTY which indicate the type of service and hours of service provided.
- h) CONSULTANT agrees to submit invoices for payment pursuant to the terms outlined in Section 3.

## 2. COUNTY DUTIES AND OBLIGATIONS

- a) COUNTY shall designate a County staff person who shall act as Services coordinator between COUNTY, CONSULTANT and APPLICANT, provide CONSULTANT with any relevant information in COUNTY'S possession (although it remains CONSULTANT'S responsibility to compile all required background information for the PROJECT), promptly review any and all documents and materials submitted to COUNTY by CONSULTANT, and promptly notify CONSULTANT of any fault or defect in the performance of CONSULTANT'S Services hereunder.
- b) COUNTY agrees to compensate CONSULTANT pursuant to the terms outlined in Section 3.

## 3. PAYMENT

- a) CONSULTANT acknowledges and agrees that COUNTY'S obligation to pay CONSULTANT shall be contingent upon prior receipt of funds by COUNTY from APPLICANT and that payment by APPLICANT to COUNTY of the required fees is a condition precedent to payment by COUNTY to CONSULTANT hereunder. Under no circumstances shall the COUNTY be obligated to expend its own funds to satisfy obligations under this AGREEMENT. All PARTIES hereto acknowledge and agree that if monies are not received from APPLICANT or not received by the deadlines identified by COUNTY to APPLICANT for submittal of payment,

COUNTY will so inform CONSULTANT, which shall immediately stop all work on the SERVICES outlined herein.

- b) The amount to be deposited by APPLICANT with COUNTY will be one half (.5) percent of the construction valuation of the PROJECT ("Deposit") as determined by the APPLICANT and verified by the COUNTY. For this PROJECT, construction valuation is currently \$22,658,883.36 and the Deposit is thus \$113,294.42. APPLICANT shall submit the Deposit prior to commencement of inspection services. Any unused portion of the Deposit shall be refunded to APPLICANT upon completion of the PROJECT.
- c) CONSULTANT compensation for the SERVICES outlined in Exhibit 1 shall not exceed the amounts specified in CONSULTANT'S Proposal, attached hereto as Exhibit 3 and incorporated herein by reference. Payment for inspection services will be based on performance and milestone achievement.

Payment for inspection services will be made from the Deposit at the stated percentages below at the CONSULTANT'S approved hourly rate set forth in Exhibit 3 for inspection services:

- 1) After approval of the footings, foundation, under-floor/under-slab, and slab inspections have been approved; twenty (20) percent.
- 2) After approval of the rough electrical, mechanical, plumbing and framing; forty (40) percent.
- 3) After approval of interior and exterior lath, gypsum and exterior siding; ten (10) percent.
- 4) After final inspection has been approved and all required plans, inspection records and documentation have been approved and submitted to the COUNTY; the remaining thirty (30) percent.

Additional SERVICES must be approved by COUNTY and APPLICANT in writing in advance. Any payment owed for approved Additional SERVICES shall be clearly delineated on the monthly invoice. All approved Additional SERVICES shall be billed at the CONSULTANT'S approved hourly rate shown in Exhibit 3. If COUNTY becomes aware that funds on deposit with COUNTY are depleted to \$10,000 or less, COUNTY may notify APPLICANT of the need to deposit additional funds; the amount of additional funds required to be placed on deposit shall be determined by COUNTY in consultation with APPLICANT and CONSULTANT. If the funds on deposit are fully depleted, COUNTY will notify both APPLICANT and CONSULTANT. At that point, CONSULTANT agrees that all work shall cease until APPLICANT deposits additional funds with COUNTY.

- d) In addition to the CONSULTANT compensation set forth in Exhibit 3, APPLICANT shall pay the COUNTY ten (10) percent of the CONSULTANT compensation for processing and managing this AGREEMENT, finaling the building permit, and issuing the Certificate of Occupancy. Any funds unused by COUNTY shall be returned to APPLICANT after issuance of the Certificate of Occupancy.
- e) The PARTIES hereto agree that the fees and charges owed to CONSULTANT shall be limited to the SERVICES outlined in Exhibit 1. Should additional tasks be required to complete the Services, the PARTIES agree to amend this AGREEMENT pursuant to Section 15.
- f) Upon completion of each milestone set forth in Subsection (c) above, CONSULTANT shall submit to COUNTY, with a copy to APPLICANT, an invoice for SERVICES performed in accordance with Exhibit 1, including a detail listing of the actual work performed, the person(s) performing the work, his/her hourly rate, and the expenses for which reimbursement is claimed. Where completion of a milestone requires more than one month's work, CONSULTANT shall submit to

COUNTY a preliminary invoice for SERVICES performed to date; however, no payment shall be made until the next milestone is completed and a final invoice submitted to COUNTY. CONSULTANT shall provide such additional information as COUNTY may request to verify any of the amounts claimed for payment in any invoice. Payment shall be made based on the CONSULTANT fees set forth in Exhibit 3. Except as approved by COUNTY in advance for Additional SERVICES, the amounts invoiced by CONSULTANT for completion of a particular milestone shall not exceed the applicable percentage of the CONSULTANT fee amounts specified in Exhibit 3, as set forth in Subsection (c) above. Based on project-specific circumstances, the County may agree to a written request by Consultant to modify the percentage allocations in Subsection (c) so that a larger percentage of funds is allocated to an earlier milestone in the process. But even when such a request is approved, County will not pay Consultant fees that exceed the amounts shown in Exhibit 3.

#### 4. Term

The term of this Agreement will be for three (3) years with the option for two extensions of the term of one (1) year each. Any extension of the term thereafter will require a written amendment to this Agreement signed by all Parties.

#### 5. Personnel

All services required hereunder shall be performed by Consultant. At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of County. All persons performing services for Consultant under this Agreement shall be employees or contractors of Consultant and not County.

#### 6. Records

Consultant shall maintain at all times complete detailed records with regard to work performed under this Agreement in a form acceptable to County, and County shall have the right to inspect such records at any reasonable time. Notwithstanding any other terms of this Agreement, no payment shall be made to Consultant until County is satisfied that work of such value has been rendered pursuant to this Agreement.

#### 7. Termination

- a) In the event County, in its sole discretion, deems it in the best interests of County, County shall have the right to terminate this Agreement at any time without cause by giving thirty (30) days prior written notice of such termination to Consultant and Applicant. Upon receipt of such written notice, Consultant shall immediately cease rendering Services pursuant to this Agreement. In the event of termination of this Agreement:
  - 1) Consultant shall deliver to County copies of all documents and writings prepared by Consultant pursuant to this Agreement. The term "documents and writings" shall be construed to mean and include work papers, electronic files, e-mails, drawings, internal memoranda, photographs, background reports and studies, preliminary drafts and other documents and files pertaining to the Project.
  - 2) County shall have full ownership and control of all documents and writings. All work papers, graphics, photographs, and any written or graphic material, however produced, prepared by Consultant in connection with its performance of Services hereunder shall be, and shall remain after termination of this Agreement, the property of County and may be used by County for any purpose whatsoever. Notwithstanding, Consultant shall not be responsible for any claims arising out of County's extraction or modification of Consultant's work products or for any claims arising out of the use of work product by County for any purpose other than

that expressly set forth in this Agreement.

- 3) Consultant shall be paid the reasonable value of Services rendered by Consultant to the date of termination pursuant to this Agreement, not to exceed the amount documented by Consultant as work accomplished to date in accordance with this Agreement; provided, however, that in no event shall any payment hereunder exceed the amounts shown in Exhibit 3; and further provided, however, Consultant shall not be entitled to payment for lost profits which might have been made by Consultant had Consultant completed the Services required by this Agreement; and further provided, however, no County funds shall be used to pay Consultant; Consultant shall only be paid with funds placed on deposit with County by Applicant. If Consultant is not fully paid for Services rendered, Consultant's only recourse shall be against Applicant and not County.
- b) Consultant may terminate its services under this Agreement only for good cause or upon the written consent of County and Applicant; Consultant shall provide thirty (30) days advance written notice to County and Applicant of any such intent to terminate.
- c) In the event County directs that work be suspended for a period longer than ninety (90) days for any reason other than dissatisfaction with Consultant's work, Consultant shall be entitled to request reasonable re-mobilization costs to recommence the work. In the event Applicant fails to diligently proceed with processing of the Project and no activity occurs for a period of six (6) months or longer, County reserves the right to review with Consultant the adequacy of the information and studies being used to perform the Services and to require additional analysis be conducted to update any such studies.

#### 8. Ownership of Documents

Consultant agrees to return to County, upon termination or conclusion of this Agreement, all documents, drawings, photographs, and other written or graphic material, however produced, received from County and used by Consultant in the performance of its Services hereunder. All work papers, drawings, internal memoranda, graphics, photographs, and any written or graphic material, however produced, prepared by Consultant in connection with its performance of Services hereunder shall be, and shall remain after termination of this Agreement, the property of County and may be used by County for any purpose whatsoever.

#### 9. Hold Harmless and Indemnification Agreement

Consultant hereby agrees to protect, defend, indemnify, and hold County free and harmless from any and all losses, claims, liens, demands and causes of action of every kind and character including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by County arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of County) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with, or arising directly or indirectly out of this Agreement to the extent that the above arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct (all whether by act, error and/or omission) of Consultant. Consultant's obligation shall include the duty to defend County as set forth in California Civil Code Sections 2778 and 2782.8. This provision is not intended to create any cause of action in favor of any third party against Consultant or County or to enlarge in any way the Consultant's liability, but is intended solely to provide for indemnification of County from liability for damages or injuries to third persons or property arising from Consultant's performance pursuant to this Agreement.

As used above, the term County means the County of Placer, its officers, agents, employees, and

volunteers.

10. Insurance

Consultant shall file with County concurrently with execution of this Agreement a Certificate of Insurance, in companies acceptable to County, with a Best's Rating of no less than A-: VII showing in the amounts indicated in Exhibit 2, attached hereto and incorporated herein by reference.

11. Breach

A failure by any Party to observe and perform its obligations under this Agreement, where such failure continues for thirty (30) days after written notice thereof by the non-defaulting Parties, and failure to cure within that thirty (30) day period shall be deemed a breach.

Should the defaulting Party fail to cure the breach, the non-defaulting Parties may seek all those remedies available at law or in equity, with the exception of the following: 1) in no event shall any of these remedies include the collection of interest unless such interest is imposed pursuant to an order or judgment of a court of competent jurisdiction, and, 2) in no event shall any of these remedies include the right to seek attorney's fees.

12. Notices

Any notice or demand desired or required to be given hereunder shall be in writing and deemed given when personally delivered or deposited in the mail, postage prepaid, sent certified or registered, and addressed to the Parties as follows:

COUNTY OF PLACER  
Building Services Division, CDRA  
Attn: Randall Befort  
3091 County Center Drive  
Auburn, CA 95603

CONSULTANT  
Shums Coda Associates  
Attn: David Basinger  
5776 Stoneridge Mall Rd, Ste  
Pleasanton, CA 94588

APPLICANT  
Placer County Retirement Residence LP  
C/O Hawthorn Construction Group LLC  
Attn: Kristi Neznanski  
2260 McGilchrist St. SE  
Salem, OR 97302

Any notice so delivered personally shall be deemed to be received on the date of delivery and any notice mailed shall be deemed to be received five (5) days after the date on which it was mailed.

13. Assignment

No Party shall assign, transfer, or otherwise dispose of this Agreement in whole or in part to any individual, firm or corporation without the prior written consent of each of the other Parties. Subject to the preceding sentence, this Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of the Parties hereto.

14. Amendment

No amendment to this Agreement shall be valid unless agreed to in writing by all the Parties. The Deputy Director of Building Services has the authority to approve any amendments to this Agreement on behalf of County that do not result in additional or increased costs or liability to County.



15. Additional Provisions

Additional provisions are attached hereto as Exhibit 4 and incorporated herein by this reference as though fully set forth herein.

Exhibits

- Exhibit 1 - Scope of Services
- Exhibit 2 - Insurance
- Exhibit 3 - Consultant's Proposal
- Exhibit 4 - Valuation

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year last written below.

COUNTY OF PLACER:

\_\_\_\_\_  
Timothy Wegner  
Deputy Director of Building Services

\_\_\_\_\_  
Date

APPROVED AS TO CONTENT:

\_\_\_\_\_  
David Kwong  
CDRA Director

\_\_\_\_\_  
Date

APPROVED AS TO FORM:

\_\_\_\_\_  
County Counsel

\_\_\_\_\_  
Date

CONSULTANT:

David Basinger/ CEO Shums Coda Associates

\_\_\_\_\_  
President/Vice President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Date

APPLICANT:

Placer County Retirement Residence LP, a Washington limited partnership by: Hawthorn IL GP, LLC,  
a Washington limited liability company

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Alan Spragins  
Chief Operating Officer

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Date

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Eric Mulligan  
Authorized Signatory

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Date

# EXHIBIT 1

## SCOPE OF SERVICES

Consultant is to provide inspection services as defined in Sections 107 and 110 of the 2019 California Building Code for the Placer Retirement Residence ("Project").

1. Upon County's acceptance of the construction documents and prior to Consultant conducting any inspections, County shall issue a building permit for the Project.
2. All work shall be inspected for compliance with all applicable California and Placer County Building Codes and the approved plans.
3. Consultant is to provide direct supervision for all of Consultant's employees, including field inspectors. All inspections are to be performed by ICC certified inspectors, or otherwise qualified under the requirements of California Health and Safety Code Section 18949.25.
4. Consultant is to develop and use a system acceptable to County to document all inspection requests and all inspections performed. This documentation shall be approved by Applicant and submitted with each request for payment. Inspections are to be performed as agreed upon, but in all cases shall be performed within 24 hours of request, including weekends.
5. Each inspection shall be clearly documented, providing written correction/deficiency notices when needed. Approval of each inspection phase shall be clearly documented.
6. All field inspection correction notices, reports, testing documents, including special inspection reports, etc., and final entries in the permanent records shall clearly indicate the name of the inspector and the consulting firm along with the date of entry/approvals.
7. Consultant shall notify County's designated staff contact and the County Building Official when work is proceeding beyond what is authorized.
8. Consultant shall notify County's designated staff contact and the County Building Official when Stop Work notices have been issued.
9. The original copies of all final inspection report/records described above shall be forwarded to County's Building Services Division upon final approval of the permit.
10. Final approval of construction documents shall be supplied to the County in electronic form as prescribed in the document retention policy.
11. Certificates of Occupancy, temporary and/or final, shall not be issued without prior written approval from the County's Building Official or his/her designee.

# EXHIBIT 2

## INSURANCE

1. INSURANCE:

CONSULTANT shall file with COUNTY concurrently herewith a Certificate of Insurance, in companies acceptable to COUNTY, with a Best's Rating of no less than A-:VII showing.

2. WORKER'S COMPENSATION AND EMPLOYERS LIABILITY INSURANCE:

Worker's Compensation Insurance shall be provided as required by any applicable law or regulation. Employer's liability insurance shall be provided in amounts not less than one million dollars (\$1,000,000) each accident for bodily injury by accident, one million dollars (\$1,000,000) policy limit for bodily injury by disease, and one million dollars (\$1,000,000) each employee for bodily injury by disease.

If there is an exposure of injury to CONSULTANT'S employees under the U.S. Longshoremen's and Harbor Worker's Compensation Act, the Jones Act, or under laws, regulations, or statutes applicable to maritime employees, coverage shall be included for such injuries or claims.

Each Worker's Compensation policy shall be endorsed with the following specific language:

Cancellation Notice - "This policy shall not be changed without first giving thirty (30) days prior written notice and ten (10) days prior written notice of cancellation for non-payment of premium to the County of Placer."

Waiver of Subrogation - The workers' compensation policy shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against the County, its officers, directors, officials, employees, agents or volunteers, which might arise by reason of payment under such policy in connection with performance under this agreement by the CONSULTANT.

CONSULTANT shall require all SUBCONTRACTORS to maintain adequate Workers' Compensation insurance. Certificates of Workers' Compensation shall be filed forthwith with the County upon demand.

3. GENERAL LIABILITY INSURANCE:

A. Comprehensive General Liability or Commercial General Liability insurance covering all operations by or on behalf of CONSULTANT, providing insurance for bodily injury liability and property damage liability for the limits of liability indicated below and including coverage for:

- (1) Contractual liability insuring the obligations assumed by CONSULTANT in this Agreement.

- B. One of the following forms is required:
- (1) Comprehensive General Liability;
  - (2) Commercial General Liability (Occurrence); or
  - (3) Commercial General Liability (Claims Made).
- C. If CONSULTANT carries a Comprehensive General Liability policy, the limits of liability shall not be less than a Combined Single Limit for bodily injury, property damage, and Personal Injury Liability of:
- One million dollars (\$1,000,000) each occurrence
  - Two million dollars (\$2,000,000) aggregate
- D. If CONSULTANT carries a Commercial General Liability (Occurrence) policy:
- (1) The limits of liability shall not be less than:
    - One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)
    - One million dollars (\$1,000,000) for Products-Completed Operations
    - Two million dollars (\$2,000,000) General Aggregate
  - (2) If the policy does not have an endorsement providing that the General Aggregate Limit applies separately, or if defense costs are included in the aggregate limits, then the required aggregate limits shall be two million dollars (\$2,000,000).
- E. Special Claims Made Policy Form Provisions:
- CONSULTANT shall not provide a Commercial General Liability (Claims Made) policy without the express prior written consent of COUNTY, which consent, if given, shall be subject to the following conditions:
- (1) The limits of liability shall not be less than:
    - One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)
    - One million dollars (\$1,000,000) aggregate for Products Completed Operations
    - Two million dollars (\$2,000,000) General Aggregate
  - (2) The insurance coverage provided by CONSULTANT shall contain language providing coverage up to one (1) year following the completion of the contract in order to provide insurance coverage for the hold harmless provisions herein if the policy is a claims-made policy.

Conformity of Coverages - If more than one policy is used to meet the required coverages, such as a separate umbrella policy, such policies shall be consistent with all other applicable

policies used to meet these minimum requirements. For example, all policies shall be Occurrence Liability policies or all shall be Claims Made Liability policies, if approved by the County as noted above. In no cases shall the types of policies be different.

4. ENDORSEMENTS:

Each Comprehensive or Commercial General Liability policy shall be endorsed with the following specific language:

- A. "The County of Placer, its officers, agents, employees, and volunteers are to be covered as an additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement."
- B. "The insurance provided by the Consultant, including any excess liability or umbrella form coverage, is primary coverage to the County of Placer with respect to any insurance or self-insurance programs maintained by the County of Placer and no insurance held or owned by the County of Placer shall be called upon to contribute to a loss."
- C. "This policy shall not be changed without first giving thirty (30) days prior written notice and ten (10) days prior written notice of cancellation for non-payment of premium to the County of Placer."

5. AUTOMOBILE LIABILITY INSURANCE:

Automobile Liability insurance covering bodily injury and property damage in an amount no less than one million dollars (\$1,000,000) combined single limit for each occurrence.

Covered vehicles shall include owned, non-owned, and hired automobiles/trucks.

6. PROFESSIONAL LIABILITY INSURANCE (ERRORS & OMISSIONS):

Professional Liability Insurance for Errors and Omissions coverage in the amount of not less than one million dollars (\$1,000,000) combined single limit for each occurrence and two million dollars (\$2,000,000) aggregate.

If Consultant sub-contracts in support of Consultants work provided for in the agreement, Professional Liability Insurance for Errors shall be provided by the sub-contractor in an amount not less than one million dollars (\$1,000,000) in aggregate.

The insurance coverage provided by the consultant shall contain language providing coverage up to one (1) year following completion of the contract in order to provide insurance coverage for the hold harmless provisions herein if the policy is a claims made policy.

7. Additional Requirements:

Premium Payments - The insurance companies shall have no recourse against the COUNTY and funding agencies, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by a mutual insurance company.

Policy Deductibles - The CONSULTANT shall be responsible for all deductibles in all of the CONSULTANT's insurance policies. The maximum amount of allowable deductible for insurance coverage required herein shall be \$25,000.

CONSULTANT's Obligations - CONSULTANT's indemnity and other obligations shall not be limited by the foregoing insurance requirements and shall survive the expiration of this agreement.

Verification of Coverage - CONSULTANT shall furnish the County with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the County before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONSULTANT's obligation to provide them. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Material Breach - Failure of the CONSULTANT to maintain the insurance required by this agreement, or to comply with any of the requirements of this section, shall constitute a material breach of the entire agreement.

# EXHIBIT 3

June 22, 2022

Attention: Tim Wegner, Chief Building Official  
CC: Randall Befort, Senior Inspection Manager  
Placer County Building Department  
3091 County Center Drive  
Auburn, CA 95603

**RE: BLD20-06634 - Placer Retirement Residence  
3905 Old Auburn Rd. Roseville, CA**

Thank you for the opportunity to present our proposal to provide **On-Call Professional Building Inspection Services for the project BLD20-06634 located at 3905 Old Auburn Rd. Roseville, CA;** to the Placer County Building Department. We are confident that Shums Coda Associate (SCA) is the firm that has the personnel, experience, and attitude that will be needed to provide these on-call services successfully.

Our understanding of the project is that the on-site inspector we assign to this work would need to be experienced with multi-family residential and commercial construction, and hold current ICC combination inspection certifications. We also understand the importance of this inspector being a good fit within the County's team assigned to this project. Therefore, if selected for this project, we would arrange the interview with our inspector prior to any work commencing.

We will also strive to ensure that this project is successfully completed, on time, within budget, and a reflection of the County's codes, ordinances, procedures, policies, and directives. A key in those efforts is continuing our solid working relationship with your staff to make sure that we assist with all aspects of the requested senior-level inspector on this project at the Placer Retirement Residence.

Based on our previous conversations related to the project, our proposal is listed below:

- Senior Level Inspector of Record for the project, invoiced at \$140.00/hour, until completion of the project. Invoiced monthly to Placer County Building Department 3091 County Center Drive, Auburn, CA 95603.
- Inspections will be provided with a 2-hour minimum per inspection, and if inspections extend beyond the two-hour minimum, time will be charged by the hour.
- Travel time to project will be 1-hour in addition to all inspection hours
- Hours for inspections of more than 8 hours (per day) or weekends will be charged at 150% of the standard hourly rates. Holiday hours will be charged at 200% of the standard hourly rates. All overtime and/or holiday work will first be approved in writing or by email from the client.
- As agreed, inspections performed will be submitted to Placer County as part of the project tracking system (daily or as requested by Placer County Building Department). This process can be on County standard forms, Shums Coda inspection forms, or entered Placer Counties automated tracking system as mutually agreed.
- It is understood that this project was approved under the 2019 California Building Codes, and all inspections for BMEP will be conducted under those standards.



**S h u m s      C o d a      A s s o c i a t e s**

5776 Stoneridge Mall Rd., Ste. 150  
925.463.0651

Pleasanton, CA 94588  
925.463.0691 (fax)



To clarify our approach with these proposed inspection services by Shums Coda Associates: These services will be performed by full-time employees at Shums Coda Associates, as all full-time employees and are provided with full compensation and benefits package. SCA employees will not represent ourselves as Placer County or Placer County Building Department employees, but rather qualified independent contract service provider through the current contract between the County and SCA.

If you should have any additional questions or need to negotiate further terms of this proposal, feel free to contact us directly. Please let us know if there is any additional contract information (outside of our current contract with Placer County) that we would need to complete for these services.

Thank you for your continued support of our services, we look forward to starting this project.

Sincerely,



David Basinger, Architect  
CEO/ Principal  
[david.basinger@shumscoda.com](mailto:david.basinger@shumscoda.com)  
(925) 413 - 5626 (Cell)



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# EXHIBIT 4

## TABLE 3-A

The basic fee shall be computed and paid as follows: This fee does not include electrical, mechanical, or plumbing "Permit & Inspection Fees." It does not include fees charged for energy compliance review, accessibility compliance review, seismic, nor does it include fees charged by other agencies.

<b>VALUATION</b>	<b>BASIC FEE SCHEDULE</b>
Residential (R-3 and Accessory):	\$.007 x valuation/ minimum \$40.00
Commercial and Industrial:	
\$ 1—\$ 500,000	\$.007 x valuation/ minimum \$129.29
\$ 500,001—600,000	\$3,500 + (.00455 x valuation exceeding \$500,001
\$ 600,001—700,000	\$3,955 + (.0042 x valuation exceeding \$600,001
\$ 700,001—800,000	\$4,375 + (.00385 x valuation exceeding \$700,001
\$ 800,001—900,000	\$4,760 + (.0035 x valuation exceeding \$800,001
\$ 900,001—1,000,000	\$5,110 + (.00315 x valuation exceeding \$900,001
\$ 1,000,001—AND GREATER	\$5,425 + (.0028 x valuation EXCEEDING \$ 1,000,000)

## TABLE 3-B

Permit fees as referenced and based on valuation for Plumbing, Electrical, and Mechanical permits shall be computed individually and paid as follows: This table does not apply to residential permits \$4,000.00 or less.

<b>VALUATION</b>	<b>BASIC PERMIT FEE</b>
Residential (R-3 and Accessory):	.001 x valuation
Commercial and Industrial:	
\$ 1—\$ 500,000	\$.001 x valuation/ minimum \$129.29
\$ 500,001—600,000	\$500 + (.00065 x valuation exceeding \$500,001
\$ 600,001—700,000	\$565 + (.0006 x valuation exceeding \$600,001
\$ 700,001—800,000	\$625 + (.00055 x valuation exceeding \$700,001
\$ 800,001—900,000	\$680 + (.0005 x valuation exceeding \$800,001
\$ 900,001—1,000,000	\$730 + (.00045 x valuation exceeding \$900,001
\$ 1,000,001—AND GREATER	\$775 + (.0004 x valuation EXCEEDING \$ 1,000,000)

(1) Projects \$5,000,000 and greater pay a permit fee of 1% (.01) x valuation in addition to the plumbing, electrical, and mechanical inspection fees in Table 3-B. The amount in excess of the basic fee computed by Table 3-A and Table 3-B is subject to cost accounting on an hourly basis and refunds made available for any funds not used between the basic fee and the 1% permit fee.

For example, a \$5,000,000 project would pay a 1% permit fee of \$50,000. Tables 3-A and 3-B calculates a basic fee of \$23,750 [(5,425 + .0028 x 4,000,000) + (775 + .0004 x 4,000,000) x 3 (P,E,M)]. Department time on the project would be cost accounted. The amount between the 1% deposit and the basic fee (\$50,000 minus \$23,750) would fund department costs above the basic fee. Any unused portion above the basic fee would be returned at the final of the project.

(2) Any project receiving a higher than normal level of service, such as extended hours to accommodate an expedited schedule, or continuous inspection, must pay the associated costs.

## ATTACHMENT B

### Independent Contractor Verification

The nature, unpredictability, and instability of requests for service encourage an adaptable approach to fulfilling plan check and inspection requests. Independent contractors provide necessary resources to fulfill higher-level demands for service beyond permanent staff's capabilities, and outside the County's normal course of business. To ensure conformance with independent contractor criteria, staff's findings for the identified independent contractor, Shums Coda Associates, is as follows:

1. The business service provider (consultant) is free from the control and direction of the contracting business entity (County) in connection with the performance of the work, both under the contract for the performance of the work and in fact.
  - a. Building Services in no way controls or directs the performance of the independent consulting firm. Work is disseminated to the consulting firm either electronically, or by paper, and returned as a finished product/completed or denied plan check. Inspections are disseminated daily, or as best determined by consultant, with day-end results of each inspection recorded by County.
2. The business service provider is providing services directly to the contracting business rather than to customers of the contracting business.
  - a. The Building Services Division receives requests for service by the customer, disseminates work product to the consultant, and records results of the customers requested service into the County's permanent record.
3. The contract with the business service provider is in writing and specifies the payment amount, including any applicable rate of pay, for services to be performed, as well as the due date of payment for such services.
  - a. Building Services has specific written contracts with the consultant firm outlining payments and rates of pay for services performed, as well as any due date.
4. If the work is performed in a jurisdiction that requires the business service provider to have a business license or business tax registration, the business service provider has the required business license or business tax registration.
  - a. The consultant firm has the necessary business tax registration and any necessary business licenses.
5. The business service provider maintains a business location, which may include the business service provider's residence, that is separate from the business or work location of the contracting business.
  - a. The consultant firm maintains an independent business location separate from any County or Building Service Division location.
6. The business service provider is customarily engaged in an independently established business of the same nature as that involved in the work performed.

- a. The consultant firm's primary business is to provide plan check and inspection services to Cities and Counties.
7. The business service provider can, and does, contract with other businesses to provide the same or similar services and maintain a clientele without restrictions from the hiring entity.
  - a. The consultant firm conducts business of the same nature with surrounding, as well as other, Cities and Counties in the State of California.
8. The business service provider advertises and holds itself out to the public as available to provide the same or similar services.
  - a. An online search demonstrates the firm offers its services to the public.
9. Consistent with the nature of the work, the business service provider provides its own tools, vehicles, and equipment to perform the services, not including any proprietary materials that may be necessary to perform the services under the contract.
  - a. The consultant provides its own method, machinery, materials, and manpower to complete the requested services.
10. The business service provider can negotiate its own rates.
  - a. The consultant offered its own rates during a "request for proposals" County process.
11. Consistent with the nature of the work, the business service provider can set its own hours and location of work.
  - a. The consultant sets the hours, days, and location of the work to be performed.
12. The business service provider is not performing the type of work for which a license from the Contractors' State License Board is required, pursuant to Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code.
  - a. Plan check and inspection services do not require a license from the Contractor's State License Board.