

**CONTRACT FOR PROFESSIONAL SERVICES TO PROVIDE CITY YARD OWNERS
REPRESENTATIVE SERVICES BETWEEN THE CITY OF HERMOSA BEACH AND CUMMING
MANAGEMENT GROUP, INC.**

This AGREEMENT is entered into this 13th day of January, 2026, by and between the CITY OF Hermosa Beach, a general law city a municipal corporation ("CITY") and Cumming Management Group, Inc., a limited liability company ("CONSULTANT").

RECITALS

- A. The City desires to obtain owners representative services for the City Yard Project.
- B. The City does not have the personnel able and/or available to perform the services required under this agreement and therefore, the City desires to contract for consulting services to accomplish this work.
- C. The Consultant warrants to the City that it has the qualifications, experience and facilities to perform properly and timely the services under this Agreement.
- D. The City desires to contract with the Consultant to perform the services as described in Exhibit A of this Agreement.

NOW, THEREFORE, based on the foregoing recitals, the City and the Consultant agree as follows:

- 1** CONSIDERATION AND COMPENSATION As partial consideration, CONSULTANT agrees to perform the work listed in the SCOPE OF SERVICES, attached as EXHIBIT A.

As additional consideration, CONSULTANT and CITY agree to abide by the terms and conditions contained in this Agreement.

As additional consideration, CITY agrees to pay CONSULTANT not to exceed \$565,000 computed pursuant to the rate schedule set forth in Exhibit B for hours actually and reasonably expended, for CONSULTANT's services, unless otherwise specified by written amendment to this Agreement.

No additional compensation shall be paid for any other expenses incurred, unless first approved by the City Manager or his/her designee.

CONSULTANT shall submit to CITY, by not later than the 10th day of each month, its invoice for services itemizing the fees and costs incurred during the previous month. CITY shall pay CONSULTANT all uncontested amounts set forth in CONSULTANT's invoice within 30 days after it is received.

- 2** SCOPE OF SERVICES. CONSULTANT will perform the services and activities set forth in the SCOPE OF SERVICE attached hereto as Exhibit A and incorporated herein by this reference.

Except as herein otherwise expressly specified to be furnished by CITY, CONSULTANT will, in a professional manner, furnish all of the labor, technical, administrative, professional and other personnel, all supplies and materials, equipment, printing, vehicles, transportation, office space, and facilities necessary or proper to perform and complete the work and provide the professional services required of CONSULTANT by this Agreement.

- 3** PAYMENTS. For CITY to pay CONSULTANT as specified by this Agreement, CONSULTANT must submit an invoice to CITY which lists the reimbursable costs, the specific tasks performed, and, for work that includes deliverables, the percentage of the task completed during the billing period in accordance with the schedule of compensation incorporated in "Exhibit A."
- 4** TIME OF PERFORMANCE. The services of the CONSULTANT are to commence upon receipt of a notice to proceed from the CITY and shall continue until all authorized work is completed to the CITY's reasonable satisfaction, in accordance with the schedule incorporated in "Exhibit A," unless extended in writing by the CITY.
- 5** FAMILIARITY WITH WORK. By executing this Agreement, CONSULTANT represents that CONSULTANT has (a) thoroughly investigated and considered the scope of services to be performed; (b) carefully considered how the services should be performed; and (c) understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement.
- 6** KEY PERSONNEL. CONSULTANT's key person assigned to perform work under this Agreement is Matthew Feldhaus. CONSULTANT shall not assign another person to be in charge of the work contemplated by this Agreement without the prior written authorization of the City.
- 7** TERM OF AGREEMENT. The term of this Agreement shall commence upon execution by both parties and shall expire on January 13, 2030, unless earlier termination occurs under Section 11 of this Agreement, or this Agreement is extended in writing in advance by both parties.
- 8** CHANGES. CITY may order changes in the services within the general scope of this Agreement, consisting of additions, deletions, or other revisions, and the contract sum and the contract time will be adjusted accordingly. All such changes must be authorized in writing, executed by CONSULTANT and CITY. The cost or credit to CITY resulting from changes in the services will be determined in accordance with written agreement between the parties.
- 9** TAXPAYER IDENTIFICATION NUMBER. CONSULTANT will provide CITY with a Taxpayer Identification Number.
- 10** PERMITS AND LICENSES. CONSULTANT will obtain and maintain during the term of this Agreement all necessary permits, licenses, and certificates that may be required in connection with the performance of services under this Agreement.

11 TERMINATION. Except as otherwise provided, CITY may terminate this Agreement at any time with or without cause. Notice of termination shall be in writing.

CONSULTANT may terminate this Agreement. Notice will be in writing at least 30 days before the effective termination date.

In the event of such termination, the CONSULTANT shall cease services as of the date of termination, and all finished or unfinished documents, data, drawings, maps, and other materials prepared by CONSULTANT shall, at CITY's option, become CITY's property, and CONSULTANT will receive just and equitable compensation for any work satisfactorily completed up to the effective date of notice of termination.

Should the Agreement be terminated pursuant to this Section, CITY may procure on its own terms services similar to those terminated.

12 INDEMNIFICATION. To the extent permitted by law, CONSULTANT shall indemnify, and hold harmless CITY, its officers, officials, employees and volunteers from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys fees, expert fees and all other costs and fees of litigation) of every nature to the extent caused by CONSULTANT's negligence, recklessness or willful misconduct in the performance of work hereunder or its failure to comply with any of its obligations contained in this AGREEMENT. CONSULTANT shall promptly pay any final judgment rendered against CITY (and its officers, officials, employees and volunteers) with respect to claims determined by a trier of fact to have been the result of the CONSULTANT's negligence, recklessness or willful misconduct. CONSULTANT shall reimburse the CITY its costs of defense, including without limitation reasonable attorneys fees, expert fees and all other costs and fees of litigation to the extent such fees, costs and all other costs are determined by the court of competent jurisdiction to have been caused by the actual negligence, recklessness or willful misconduct of the Consultant. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.

The requirements as to the types and limits of insurance coverage to be maintained by CONSULTANT as required by Section 17, and any approval of said insurance by CITY, are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by CONSULTANT pursuant to this Agreement, including, without limitation, to the provisions concerning indemnification.

13 ASSIGNABILITY. This Agreement is for CONSULTANT's professional services. CONSULTANT's attempts to assign the benefits or burdens of this Agreement without CITY's written approval are prohibited and will be null and void.

14 INDEPENDENT CONSULTANT. CITY and CONSULTANT agree that CONSULTANT will act as an independent contractor and will have control of all work and the manner in which is it performed. CONSULTANT will be free to contract for similar service to be performed for other employers while under contract with CITY. CONSULTANT is not an agent or employee of CITY and is not entitled to participate in any pension plan,

insurance, bonus or similar benefits CITY provides for its employees. Any provision in this Agreement that may appear to give CITY the right to direct CONSULTANT as to the details of doing the work or to exercise a measure of control over the work means that CONSULTANT will follow the direction of the CITY as to end results of the work only.

- 15 AUDIT OF RECORDS.** CONSULTANT agrees that CITY, or designee, has the right to review, obtain, and copy all records pertaining to the performance of this Agreement. CONSULTANT agrees to provide CITY, or designee, with any relevant information requested and will permit CITY, or designee, access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this Agreement. CONSULTANT further agrees to maintain such records for a period of three (3) years following final payment under this Agreement.

CONSULTANT will keep all books, records, accounts and documents pertaining to this Agreement separate from other activities unrelated to this Agreement.

- 16 CORRECTIVE MEASURES.** CONSULTANT will promptly implement any corrective measures required by CITY regarding the requirements and obligations of this Agreement. CONSULTANT will be given a reasonable amount of time as determined by the City to implement said corrective measures. Failure of CONSULTANT to implement required corrective measures shall result in immediate termination of this Agreement.

17 INSURANCE REQUIREMENTS.

- A. The CONSULTANT, at the CONSULTANT's own cost and expense, shall procure and maintain, for the duration of the contract, the following insurance policies:
1. Workers Compensation Insurance as required by law. The Consultant shall require all subcontractors similarly to provide such compensation insurance for their respective employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by the CITY at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against the CITY, its officers, agents, employees, and volunteers for losses arising from work performed by the CONSULTANT for City.
 2. General Liability Coverage. The CONSULTANT shall maintain commercial general liability insurance in an amount of not less than two million dollars (\$2,000,000) per occurrence for bodily injury, personal injury, and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.
 3. Automobile Liability Coverage. The CONSULTANT shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the CONSULTANT arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired, and

non-owned vehicles, in an amount of not less than one million dollars (\$1,000,000) combined single limit for each occurrence.

4. Professional Liability Coverage. The CONSULTANT shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors, or omissions which may arise from the CONSULTANT'S operations under this Agreement, whether such operations be by the CONSULTANT or by its employees, subcontractors, or sub-consultants. The amount of this insurance shall not be less than one million dollars (\$1,000,000) on a claims-made annual aggregate basis, or a combined single-limit-per-occurrence basis. When coverage is provided on a "claims made basis," CONSULTANT will continue to renew the insurance for a period of three (3) years after this Agreement expires or is terminated. Such insurance will have the same coverage and limits as the policy that was in effect during the term of this Agreement, and will cover CONSULTANT for all claims made by CITY arising out of any errors or omissions of CONSULTANT, or its officers, employees or agents during the time this Agreement was in effect.

- B. Endorsements. Each general liability, automobile liability and professional liability insurance policy (which shall not be required to endorse section B.1. below) shall be issued by a financially responsible insurance company or companies admitted and authorized to do business in the State of California, or which is approved in writing by City, and shall be endorsed as follows. CONSULTANT also agrees to require all contractors, and subcontractors to do likewise.

1. "The CITY, its elected or appointed officers, officials, employees, agents, and volunteers are to be covered as additional insureds with respect to liability arising out of work performed by or on behalf of the CONSULTANT, including materials, parts, or equipment furnished in connection with such work or operations."
2. This policy shall be considered primary insurance as respects the CITY, its elected or appointed officers, officials, employees, agents, and volunteers. Any insurance maintained by the CITY, including any self-insured retention the CITY may have, shall be considered excess insurance only and shall not contribute with this policy.
3. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.
4. The insurer waives all rights of subrogation against the CITY, its elected or appointed officers, officials, employees, or agents.
5. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents, or volunteers.
6. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days written notice has been received by the CITY.

- C. CONSULTANT agrees to provide immediate notice to CITY of any claim or loss against CONSULTANT arising out of the work performed under this agreement. CITY

assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve CITY.

- D. Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the CITY's option, the CONSULTANT shall demonstrate financial capability for payment of such deductibles or self-insured retentions.
 - E. The CONSULTANT shall provide certificates of insurance with original endorsements to the CITY as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with the CITY on or before commencement of performance of this Agreement. Current certification of insurance shall be kept on file with the CITY at all times during the term of this Agreement.
 - F. Failure on the part of the CONSULTANT to procure or maintain required insurance shall constitute a material breach of contract under which the CITY may terminate this Agreement pursuant to Section 11 above.
 - G. The commercial general and automobile liability policies required by this Agreement shall allow City, as additional insured, to satisfy the self-insured retention ("SIR") and/or deductible of the policy in lieu of the Consultant (as the named insured) should Consultant fail to pay the SIR or deductible requirements. The amount of the SIR or deductible shall be subject to the approval of the City Attorney and the Finance Director. Consultant understands and agrees that satisfaction of this requirement is an express condition precedent to the effectiveness of this Agreement. Failure by Consultant as primary insured to pay its SIR or deductible constitutes a material breach of this Agreement. Should City pay the SIR or deductible on Consultant's behalf upon the Consultant's failure or refusal to do so in order to secure defense and indemnification as an additional insured under the policy, City may include such amounts as damages in any action against Consultant for breach of this Agreement in addition to any other damages incurred by City due to the breach.
- 18 USE OF OTHER CONSULTANTS.** CONSULTANT must obtain CITY's prior written approval to use any sub-consultants while performing any portion of this Agreement. Such approval must include approval of the proposed consultant and the terms of compensation.
- 19 FINAL PAYMENT ACCEPTANCE CONSTITUTES RELEASE.** The acceptance by the CONSULTANT of the final payment made under this Agreement shall operate as and be a release of the CITY from all claims and liabilities for compensation to the CONSULTANT for anything done, furnished or relating to the CONSULTANT'S work or services except for claims made in writing at the time of acceptance. Acceptance of payment shall be any negotiation of the CITY'S check or the failure to make a written extra compensation claim within ten (10) calendar days of the receipt of that check. However, approval or payment by the CITY shall not constitute, nor be deemed, a release of the responsibility and liability of the CONSULTANT, its employees, sub-consultants and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by the CITY for any defect or error in the work prepared by the Consultant, its employees, sub-consultants and agents.

20 CORRECTIONS. In addition to the above indemnification obligations, the CONSULTANT shall correct, at its expense, all errors in the work which may be disclosed during the City's review of the Consultant's report or plans. Should the Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by the CITY, and the cost thereof shall be charged to the CONSULTANT. In addition to all other available remedies, the City may deduct the cost of such correction from any retention amount held by the City or may withhold payment otherwise owed CONSULTANT under this Agreement up to the amount of the cost of correction.

21 NON-APPROPRIATION OF FUNDS. Payments to be made to CONSULTANT by CITY for services preformed within the current fiscal year are within the current fiscal budget and within an available, unexhausted fund. In the event that CITY does not appropriate sufficient funds for payment of CONSULTANT'S services beyond the current fiscal year, the Agreement shall cover payment for CONSULTANT'S services only to the conclusion of the last fiscal year in which CITY appropriates sufficient funds and shall automatically terminate at the conclusion of such fiscal year.

22 NOTICES. All communications to either party by the other party will be deemed made when received by such party at its respective name and address as follows:

CITY	CONSULTANT
City of Hermosa Beach 1315 Valley Drive Hermosa Beach, CA 90254 ATTN: Joe SanClemente	Cumming Management Group, Inc. 139 Hermosa Avenue Hermosa Beach, CA90254 ATTN: Anthony Sanchez

Any such written communications by mail will be conclusively deemed to have been received by the addressee upon deposit thereof in the United States Mail, postage prepaid and properly addressed as noted above. In all other instances, notices will be deemed given at the time of actual delivery. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this paragraph. Courtesy copies of notices may be sent via electronic mail, provided that the original notice is deposited in the U.S. mail or personally delivered as specified in this Section.

A. SOLICITATION. CONSULTANT maintains and warrants that it has not employed nor retained any company or person, other than CONSULTANT's bona fide employee, to solicit or secure this Agreement. Further, CONSULTANT warrants that it has not paid nor has it agreed to pay any company or person, other than CONSULTANT's bona fide employee, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the

award or making of this Agreement. Should CONSULTANT breach or violate this warranty, CITY may rescind this Agreement without liability.

- B.** THIRD PARTY BENEFICIARIES. This Agreement and every provision herein is generally for the exclusive benefit of CONSULTANT and CITY and not for the benefit of any other party. There will be no incidental or other beneficiaries of any of CONSULTANT's or CITY's obligations under this Agreement.
 - C.** INTERPRETATION. This Agreement was drafted in, and will be construed in accordance with the laws of the State of California, and exclusive venue for any action involving this agreement will be in Los Angeles County.
 - D.** ENTIRE AGREEMENT. This Agreement, and its Attachments, sets forth the entire understanding of the parties. There are no other understandings, terms or other agreements expressed or implied, oral or written.
 - E.** RULES OF CONSTRUCTION. Each Party had the opportunity to independently review this Agreement with legal counsel. Accordingly, this Agreement will be construed simply, as a whole, and in accordance with its fair meaning; it will not be interpreted strictly for or against either Party.
 - F.** AUTHORITY/MODIFICATION. The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this Agreement and to engage in the actions described herein. This Agreement may be modified by written amendment with signatures of all parties to this Agreement. CITY's city manager, or designee, may execute any such amendment on behalf of CITY.
- 23** ACCEPTANCE OF FACSIMILE OR ELECTRONIC SIGNATURES. The Parties agree that this Contract, agreements ancillary to this Contract, and related documents to be entered into in connection with this Contract will be considered signed when the signature of a party is delivered by facsimile transmission or scanned and delivered via electronic mail. Such facsimile or electronic mail copies will be treated in all respects as having the same effect as an original signature.
- 24** FORCE MAJEURE. Should performance of this Agreement be impossible due to fire, flood, explosion, war, embargo, government action, civil or military authority, the natural elements, or other similar causes beyond the Parties' control, then the Agreement will immediately terminate without obligation of either party to the other.
- 25** TIME IS OF ESSENCE. Time is of the essence to comply with dates and schedules to be provided.
- 26** ATTORNEY'S FEES. The parties hereto acknowledge and agree that each will bear his or its own costs, expenses and attorneys' fees arising out of and/or connected with the negotiation, drafting and execution of the Agreement, and all matters arising out of or connected therewith except that, in the event any action is brought by any party hereto to enforce this Agreement, the prevailing party in such action shall be

entitled to reasonable attorneys' fees and costs in addition to all other relief to which that party or those parties may be entitled.

27 STATEMENT OF EXPERIENCE. By executing this Agreement, CONSULTANT represents that it has demonstrated trustworthiness and possesses the quality, fitness and capacity to perform the Agreement in a manner satisfactory to CITY. CONSULTANT represents that its financial resources, surety and insurance experience, service experience, completion ability, personnel, current workload, experience in dealing with private consultants, and experience in dealing with public agencies all suggest that CONSULTANT is capable of performing the proposed contract and has a demonstrated capacity to deal fairly and effectively with and to satisfy a public agency.

28 OWNERSHIP OF DOCUMENTS. It is understood and agreed that the City shall own all documents and other work product of the Consultant, except the Consultant's notes and workpapers, which pertain to the work performed under this Agreement. The City shall have the sole right to use such materials in its discretion and without further compensation to the Consultant, but any re-use of such documents by the City on any other project without prior written consent of the Consultant shall be at the sole risk of the City.

29 USE OF LOGO. The CITY grants the CONSULTANT permission to use its name, logo and/or trademark in deliverables produced by the CONSULTANT on the behalf of the CITY, such as written reports, presentation slides, press releases, social media graphics, and other public outreach materials. The CITY's prior review of artwork and written approval is required for any use of CITY logo. CITY will provide an electronic copy of the most current logo to the CONSULTANT for use in materials. The CONSULTANT will, in turn, only use the most current logo of the CITY.

30 DISCLOSURE REQUIRED.

By their initials next to this paragraph, City and Consultant hereby acknowledge that Consultant is not a "consultant" for the purpose of the California Political Reform Act because Consultant's duties and responsibilities are not within the scope of the definition of consultant in Fair Political Practice Commission Regulation 18700.3(a) and is otherwise not serving in staff capacity in accordance with the City's Conflict of Interest Code.

City Initials _____

Consultant Initials _____

31. City acknowledges that the Consultant has not been engaged to perform any services which constitute the practice of law.

32. Notwithstanding any other provisions of this Agreement, and to the fullest extent permitted by law, neither party shall be liable to the other for any incidental, special, indirect or other consequential damages incurred due to the fault of the other Party, regardless of the nature of the fault or whether it was committed by the City or Consultant, or their employees, subconsultants, or subcontractors. Consequential

damages include, without limitation, liability for loss of use of the Project or existing property, loss of profits, loss of use, loss of production, loss of goodwill, or business interruption, however the same may be caused.

33. The Consultant's aggregate liability under this Agreement shall not exceed the amount of insurance proceeds received from specified coverages, regardless of the theory of liability.

IN WITNESS WHEREOF the parties hereto have executed this contract the day and year first hereinabove written.

CITY OF HERMOSA BEACH

CONSULTANT

Steve Napolitano, City Manager

By: _____
Anthony Sanchez, Executive Vice
President

ATTEST:

Myra Maravilla, City Clerk

Taxpayer ID No.

APPROVED AS TO FORM:

Jason Baltimore, Interim City Attorney

EXHIBIT A
SCOPE OF SERVICES

EXHIBIT A
SCOPE OF WORK

RE: Owner’s Representative Services – City Yard Project

LOCATION: City of Hermosa Beach, CA

Project Overview

The City of Hermosa Beach is initiating the development of a new City Yard project to support its growing public safety needs. Owner’s Representative (OR) services include all phases of the project, from pre-design through construction completion and closeout.¹

The Owner’s Representative will act as an extension of City staff, advocate the best interests of the City; providing strategic oversight, technical guidance, and coordination support to ensure the project is delivered on time, within budget, and to the City’s quality standards.

Project Approach

The key to successfully execute this project is (1) understanding existing site conditions, (2) finding the right professional consultant and construction teams with an expertise delivering similar projects, (3) prescribing environmental remediation activities, (4) working with the City and stakeholders to support the programming, design, and construction of the new facility, and (5) planning for temporary facilities, move management, and installation of Furniture, Fixtures, and Equipment (FF&E) to provide a smooth transition into the facility without compromising public services or safety. This will require a comprehensive, multi-disciplinary approach due to strict building codes, temporary facility requirements, move management, and logistical challenges in a dense urban beach community with limited land, limited laydown areas, limited construction access, limited parking, and small streets.

First 30 days: Once the OR is approved to start providing services by the City, the OR will structure a formal project management plan (PMP) into clearly defined phases, each representing a critical step in the successful delivery of the project. This plan will outline the scope of services, assign roles and responsibilities, forge a communications protocol, and establish a framework for collaboration

¹ The intent is for the OR to assist from pre-design through construction completion and closeout, but the current scope of work and fee proposal only includes preconstruction services. Construction period services to be considered at a later date.

among City staff, design professionals, contractors, and consultants. Our approach ensures a seamless transition from planning through construction, closeout, and occupancy.

At the core of our approach is a commitment to transparency, clear communication, and responsive service. We manage every project with diligence, emphasizing consistent coordination with all stakeholders, timely reporting, proactive community engagement, and a solutions-oriented mindset to resolve issues efficiently and effectively.

In addition to the PMP during this period, the OR will develop scopes of work and solicit proposals from the following consultants:

- Environmental firms to provide an Environmental Site Assessment (ESA) Phase I report, an ESA Phase II report – likely required following results of the Phase I report.
- California Environmental Quality Act (CEQA) consultants to provide an Initial Study (IS) and a Mitigated Negative Declaration (MND)/ Environmental Impact Report (EIR) – likely required following the results of the IS.
- On-call architecture firms to provide initial feasibility studies and programming. These efforts may be used to either form the basis of a full design effort or be used as bridging documents for a design-build solicitation. This will be determined later when a delivery method is selected by the City.

First 90 days: The OR will evaluate proposals from the consultants described above and provide peer review/recommendations to the City so they can execute agreements with each consultant. The OR will assist the City with contract administration and assist with issuing Notices to Proceed to each consultant.

The OR will establish kickoff meetings with each consultant, City representatives, and other key project stakeholders. Site meetings will be required with each consultant and a plan to execute their work and schedule for key deliverables will be established. Consultant work will begin during this period. Site access will be coordinated with facility management – any work requiring partial closure of the site, activities generating dust or noise, and activities that disrupt existing services will be coordinated to reduce disturbance to the greatest extent feasible.

The OR will establish a master project schedule and discuss key decision points with the City. Other project control systems will be established, including the recommendation of a Project Management Information System (PMIS) and other project management software (discussed in greater detail below).

First 180 days: The OR will have coordinated the completion of the ESA Phase I report, the CEQA Initial Study, and the A/E feasibility study. The OR will provide analysis from the outcomes of these reports to the City and make recommendations how to proceed, including recommendations to perform additional environmental studies, additional CEQA analysis, and A/E programming efforts.

Initial data from the reports and studies will inform potential cost exposure for unknowns like the extent of the environmental cleanup activities. The OR may begin to establish project budgets during this phase.

The OR can make recommendations to the City for project delivery methods at this time, including traditional design-bid-build (low bid), design-build, or Progressive Design-Build. An analysis will be provided including a data-driven pros and cons list for each delivery method, that includes cost and schedule implications as well as a thorough analysis of risk management.

A/E programming can be completed during this phase. Depending on the selected delivery method, the OR will assist the City with defining a scope of work and solicitation of Design Build Entity (DBE)/Progressive Design Builder (PDB), or will assist the City with completing the design either with the programming A/E consultant or through a new A/E solicitation.

Scope of Work

The following sections provide more detail for the OR scope of work. The intent is for the OR to assist from pre-design through construction completion and closeout, but the current scope of work and fee proposal only includes preconstruction services. Services to be provided at a later date and optional services not yet selected are indicated with (Future Phase) after the heading. The OR's services are provided on a Time & Materials basis at the hourly rates attached and in accordance with the City's contract agreement.

1. General Responsibilities

- 1.1 Serving as the City's primary liaison with the project design team, construction contractor, and other consultants. The OR has proficiency in design management, procurement, and construction management services and will be the lead consultant guiding the work of the other project consultants.
- 1.2 Advising the City on best practices for project procurement and risk management.
- 1.3 Advise the City on appropriate project delivery methods that benefit the City from a cost, schedule, and/or quality standpoint and reduces risk to the City.
- 1.4 Attending and facilitating key meetings and providing regular project status updates to City leadership.
- 1.5 Provide professional analysis of elements of the project including but not limited to assessment for cost savings, energy efficiency, and delivery methods.
- 1.6 Coordinate between stakeholders, designers, contractors, regulatory bodies, utilities, and other parties to accomplish the project.
- 1.7 Advise on best practices and management techniques to best deliver the project.
- 1.8 Represent the City at various meetings, hearings, and public interactions.

1.9 Ensuring audit readiness of all project and project related documentation.

2. Project Controls

- 2.1 Set up and implement a comprehensive project controls platform, creating a centralized repository for all project documentation, including:
 - a. Selection and implementation of Project Management software (e.g., Procore, or any City-preferred system).
 - b. Selection and implementation of Scheduling software (e.g., Primavera P6, MS project, or any City-preferred system).
 - c. Selection and implementation of Cost Management software (e.g., Procore, CAPP Analytics, or any City-preferred system).
- 2.2 Establish and maintain project budget.
- 2.3 Establish and maintain project schedule.
- 2.4 Develop and update anticipated cost reports.
- 2.5 Develop and update schedule variance reports.
- 2.6 Develop and update customized dashboard reports, including:
 - a. Executive report
 - b. Cashflow report
 - c. Earned value report
 - d. Summary schedule report
 - e. Invoice status report
 - f. Invoice aging report
- 2.7 Develop and update project monthly reports.
- 2.8 Develop and implement a change management tracking system.
- 2.9 Develop and implement a risk management process.

3. Procurement Phase

- 3.1 Assist in preparation of solicitation documents (RFQs, RFPs, bid packages) for all phases of work.
- 3.2 Assist City with the process of examining each Statement of Qualification (SOQ) for compliance with the minimum requirements of the Request for Qualifications (RFQ).
- 3.3 Assist City in evaluating the SOQs.
- 3.4 Assist City in reviewing the recommendations and providing notification to respondents regarding the decisions for shortlisting.

- 3.5 Assist with reviews of and responses to alternative technical concepts and other pre-proposal submittals.
- 3.6 Provide Owner with draft responses to questions and, after review and approval by Owner, finalize answers for clarifications and/or addenda to Request for Proposals (RFP).
- 3.7 Publish clarifications or addenda to the RFP, as needed.
- 3.8 Facilitate contractor and consultant selection and bid evaluations.
- 3.9 Assist with negotiation of and provide recommendations for award of construction and consultant contracts.
- 3.10 Provide an opinion of probable cost and adjustments to the Project budget cost breakdown based upon available information, including information received from the proposers, and make adjustments to the RFP documents that may be required to maintain the total Project budget.

4. Validation / Programming Phase

- 4.1 Assist in defining project goals, performance standards, priorities, functional requirements, and operational programming requirements.
- 4.2 Support selection and coordination of environmental consultants, architectural and engineering design consultants.
- 4.3 Facilitate site analysis and preliminary and design studies, including space standards and adjacencies.
- 4.4 Facilitate site environmental studies with the City's environmental consultant and make recommendations on how to deliver the project based on published study results.
- 4.5 Participate in the review of design-development submittals and attend design review meetings.
- 4.6 Develop and/or review preliminary budgets, schedules, and procurement documents.
- 4.7 Undertake independent cost estimating services.
- 4.8 Facilitate early stakeholder engagement, including staff end-users.
- 4.9 Identify strategies for phasing or project expediting appropriate to the City's selected construction delivery method.
- 4.10 Support with permitting and entitlements.

5. Design Phase

- 5.1 Manage coordination between the City and design consultants. The OR has proficiency in design management and design leadership and will be the lead consultant guiding the work of the other project design consultants.

- 5.2 Review design documents (schematic design, design development, construction documents) for consistency with the City's objectives and preliminary budget. Notwithstanding the foregoing, the Owner's Representative has not been engaged to perform any services which constitute the practice of architecture or engineering.
- 5.3 Identify potential value engineering opportunities.
- 5.4 Monitor and report on the design team's adherence to schedule and budget targets.
- 5.5 Ensure appropriate stakeholder input and user group coordination, including coordinating end-user operational reviews to ensure functional needs are met.

6. Construction Phase (Future Phase)

- 6.1. Represent the City in all construction-related matters.
- 6.2. Monitor contractor performance and progress.
- 6.3. Coordinate and participate in regular site meetings and inspections.
- 6.4. Review and advise on Requests for Information (RFIs), submittals, change orders, and payment applications. Notwithstanding the foregoing, To the extent Owner's Representative reviews and makes recommendations as part of the Services regarding any payment applications provided by any of the City's contractors, such review and recommendation shall not be deemed a representation that Owner's Representative has (1) made exhaustive or extensive on-site inspections to check the quality or quantity of a contractor's work; (2) reviewed construction means, methods, techniques, or sequences for the contractor's own work or procedures; (3) reviewed copies of requisitions received from subcontractors and material suppliers and other data requested by the City to substantiate any contractor's rights to payment; or (4) ascertained how or for what purpose the contractors have used money previously paid to them. Owner's Representative shall review the work performed at the Project site for purposes of determining that the contractor's work is being performed in general accordance with the applicable contract documents.
- 6.5. Monitor quality control and conformance with contract documents.
- 6.6. Proactively identify risks and challenges, strategize on mitigation or solutions, and advise City on the same.
- 6.7. Manage issue resolution and escalation processes.
- 6.8. Manage changes to the project; maintain accurate and detailed records of changes, costs, and construction labor and materials involved in the changes.
- 6.9. City acknowledges and agrees that the Owner's Representative shall neither have control over nor be responsible for maintaining safe conditions or enforcing or coordinating safety precautions or programs at any Project site, and Owner's Representative shall not have

control over or be responsible for construction means, methods, techniques, sequences or procedures employed by any contractor involved with the Project.

- 6.10. Construction Observation: Owner's Representative shall observe the progress of the work. OR shall notify the City in writing of observations made by Owner's Representative of work installed by the contractor(s) which does not appear to be in conformity with Contract Documents and shall make recommendations to the City for measures to enforce compliance with the requirements of the Contract Documents.
- 6.11. Prepare an estimate of costs for all submitted change orders and submit the estimate to the City for approval.
- 6.12. Negotiate construction contractor's proposals and review with the City. Ensure construction contractor's proposals have substantiated back-up and that proposed costs are reasonable.
- 6.13. Record the progress of the Project by a daily report containing a record of weather, construction contractor(s) present and their number of workers, work accomplished, problems encountered, and other relevant data including photographs.
- 6.14. Require that any applicable stormwater pollution prevention plan requirements for the Project are incorporated into the Contract Documents and monitor compliance and maintenance by the Contractor.
- 6.15. Monitor whether construction contract requirements are being fulfilled and recommend courses of action to the City when construction contractor(s) fails to fulfill contractual requirements.
- 6.16. Review the construction contractor(s)' Safety Program submittals and review and document the implementation of the construction contractor(s)' Safety Program. Neither the Owner's Representative nor the City shall be responsible for or have any liability for construction contractor(s) failure to provide, comply with, or enforce said safety programs.
- 6.17. Require that as-built drawings are accurate and submitted by the construction contractor(s) monthly with each invoice.
- 6.18. Coordinate with the City, Inspection team, and contractor(s), all special inspection and materials testing provided by others as required by the technical sections of the specifications, and as required by the building code.
- 6.19. Review monthly schedule updates and Time Impact Analysis (TIA) reports from the contractor(s).
- 6.20. Prepare and distribute monthly project status reports for the Project, including updates on project activities, progress of work, outstanding issues, potential problems, schedule, status of RFIs, change orders, and submittals.

7. Closeout Phase (Future Phase)

8. Optional Services During Construction Phase (Future Phase)

- 8.1. Labor Compliance program: review certified payroll records submitted for the Project. Assist the City in initiating and enforcing the City's Labor Compliance Program by verifying apprenticeship utilization, monitoring and enforcing prevailing wage laws, and assisting the City with complying with the Department of Industrial Relations' Compliance Monitoring Unit requirements.
- 8.2. Certified Access Specialist (CAsp) services to provide a comprehensive review for compliance with federal and state accessibility laws, providing a detailed report of findings, and creating a prioritized plan for correcting any identified barriers. Provide plan review for new construction and provide a physical inspection of areas during construction including parking, entrances, pathways, restrooms, and interior spaces using specialized tools to measure and document compliance with regulations like the ADA and California Building Code.
- 8.3. Construction Commissioning: verifying that building systems (i.e. mechanical equipment, ventilation equipment, lighting control systems, water heater systems, façade/envelope) are installed and functioning according to the owner's requirements through design reviews, pre-functional and functional testing, and inspections.

During Construction: Review contractor submittals for commissioned equipment and systems; conduct site visits to observe construction and verify installations; verify pre-functional testing is performed by the contractor; perform and document functional testing to confirm systems operate as designed; maintain a log of all identified issues and track their resolution.

9. Optional Warranty Services (Future Phase)

- 9.1. Implement a Warranty Inspection and Warranty Work procedure that all construction contractors are to follow. The procedure shall include a twelve (12) month call back period and a final warranty inspection eleven (11) months after Project completion to inspect the Project and identify any outstanding warranty work.
- 9.2. Participate in periodic inspections of the Project during the warranty period, following each inspection produce a punch list identifying Work items that do not meet the standards of the Contract Documents, recommend actions to be taken to enforce warranties, coordinate with City and contractor(s) regarding warranty issues, review contractor's plan for corrective measures, coordinate with City and contractor(s) regarding implementation of the corrective measures and conduct final inspections of completed warranty work.

10. Optional Furniture, Fixtures, and Equipment (FF&E) Management (Future Phase)

- 10.1. Provide regular project status reports, budget expenditure reports, and financial tracking.
- 10.2. Serve as the primary point of contact for all FF&E-related matters, ensuring clear communication with all stakeholders.
- 10.3. Develop project work plans, timelines, and detailed FF&E budgets.
- 10.4. Collaborate with designers, architects, and clients to define FF&E needs and standards that align with the project's objectives.
- 10.5. Track purchase orders, invoices, and change orders to maintain budget compliance.
- 10.6. Coordinate all logistics, including warehousing, on-site delivery scheduling, and freight communication.
- 10.7. Plan and manage the installation of FF&E, coordinating with multiple contractors and installers as needed.
- 10.8. Oversee the efficient flow of materials and coordinate with other departments (e.g., IT, facilities) to ensure smooth operations.
- 10.9. Arrange for site access and secure areas for deliveries and installation.
- 10.10. Conduct quality control inspections to ensure items are correct and undamaged before and during installation.
- 10.11. Oversee the resolution of punch list items and warranty claims with vendors.
- 10.12. Ensure all FF&E selections comply with project specifications, safety, and building codes.
- 10.13. Manage project closeout for all FF&E-related activities and finalize all documentation.

11. By Others (Not Part of Owner's Representative Scope of Work)

- 11.1. **Building and Safety Code Inspection:** any code-required inspections related to project permits issued, including deferred submittals. Typical inspection types include, but are not limited to, Building, Electrical, Elevator/Pressure Vessel, Fire Sprinkler, Grading, Mechanical HVAC, Plumbing, Signage, and Structural. These approvals are intended to be performed by representatives of the City Building and Safety Department, the Fire Department, the Health Department, the Regional Planning/Zoning Department, and other project Authorities Having Jurisdiction (AHJ). Staff providing the inspections must have current licenses and/or certifications in their respective fields.
- 11.2. **Materials Testing and Special/Deputy Inspection:** on-site inspections of construction materials like concrete, steel, heavy timber, and masonry, and laboratory testing of these materials to ensure they meet code and project specifications for public safety and structural integrity. Services include observing, testing, and verifying the installation of soils/earthwork, concrete, asphalt, aggregates, structural steel, reinforcing steel, heavy timber, high-strength bolting, anchors, masonry, fireproofing, and welding. Staff providing

the inspections must have current licenses and/or certifications in their respective fields. Laboratories providing materials testing services must be certified by the AHJ.

- 11.3. California Department of Toxic Substances Control (DTSC) coordination, evaluation, remedy planning, remedy implementation, Soils Management Plans and No Further Action/Site Closure activities. These activities will need to be managed by the City's environmental consultant.
- 11.4. South Coast Air Quality Management Department (AQMD) hazardous materials abatement and Procedure 5 remediation plan activities. These activities will need to be managed by the City's environmental consultant.
- 11.5. Tank closures for former Underground Storage Tanks (USTs). These activities will need to be managed by the City's environmental consultant.

EXHIBIT B

RATE SCHEDULE AND ESTIMATED PRJOECT TIMELINE

CUMMING
GROUP



CITY OF HERMOSA BEACH

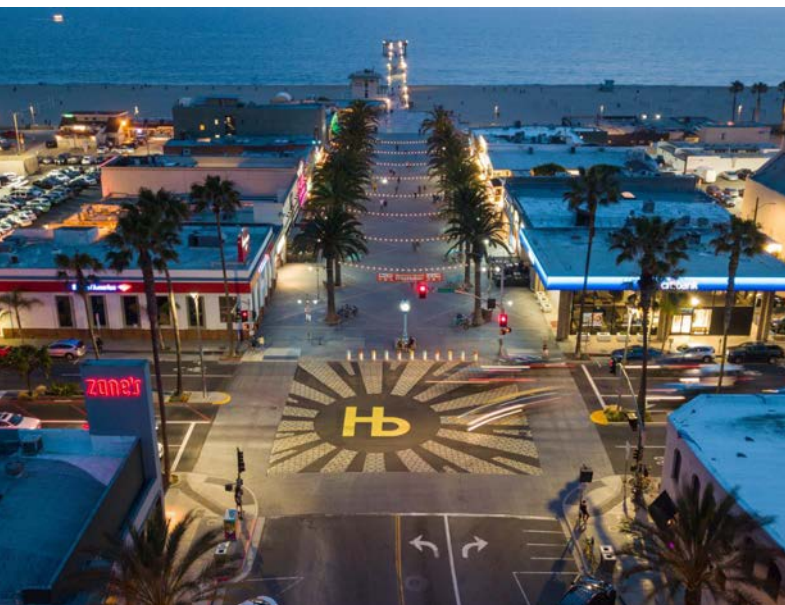
Request for Qualifications

City Yard Project –
Owners Representative Services

RFQ NO. 25-006

October 9, 2025

cumming-group.com





SECTION 8

RATE SCHEDULE

Rate schedules shall be submitted through PlanetBids Portal as a separate file, labeled “Rate Schedule” and indicate the firm’s name. The rate schedule shall detail hourly billable rates for key staff members (including their names, titles, and licenses) and other team member categories for various other services offered by the Consultant and sub-consultants as appropriate.

Proposer must also state whether rates are guaranteed for the term of the agreement or will be subject to future rate increases. Any proposed requests to change the adopted rates annually shall not exceed the relevant Consumer Price Index for the preceding 12-month period.

Rate schedule shall detail any other direct costs intended to be charged to the City (e.g., travel, equipment, printing/materials).

Cumming Management Group, Inc. (“Cumming Group”) is pleased to submit our Rate Schedule to the City of Hermosa Beach (“City”) to provide Owner’s Representative Services for the City Yard project.

The rates below shall be subject to annual adjustments starting January 1, 2027, indexed to the Consumer Price Index (CPI) for the Los Angeles area.

Key Staff

TEAM MEMBER	CLASSIFICATION	CERTIFICATES/LICENSES	HOURLY RATE
Anthony Sanchez, RME, ASSOC. DBIA	Principal-in-Charge	CA General Building Contractor (B-956988); Associate DBIA	\$230.00
Matthew Feldhaus, ARCHITECT, CCM, LEED AP	Project Manager III	CA Architect (C-33265); Certified Construction Manager (CCM); LEED AP	\$195.00
Noah Hamouche, EIT, ENV-SP	Assistant Project Manager / Construction Manager	Engineer-in-Training (CA #173619); Envision Sustainability Professional (ENV-SP); OSHA 30-Hour Certification	\$165.00

Support Services

TEAM MEMBER	CLASSIFICATION	CERTIFICATES/LICENSES	HOURLY RATE
Kunal Shah, LEED AP BD+C	Scheduler III	LEED AP BD+C	\$175.00
Yuting Bao	Cost Estimator II		\$175.00
Eileen Ta	Labor Compliance		\$160.00
Mark Walter, CBCP, EBCP	Commissioning Agent	Certified Building Commissioning Professional; Existing Building Commissioning Professional	\$185.00
June Pena	Move Manager		\$155.00

Additional Classifications

CLASSIFICATION	HOURLY RATE
Project Manager II	\$190.00
Project Manager I	\$175.00
Construction Manager III	\$190.00
Construction Manager II	\$180.00
Construction Manager I	\$170.00
Project Engineer II	\$150.00
Project Engineer I	\$140.00
Scheduler II	\$165.00



CLASSIFICATION	HOURLY RATE
Scheduler I	\$150.00
Cost Estimator III	\$190.00
Cost Estimator I	\$165.00
Cost Control II	\$180.00
Cost Control I	\$165.00
CASp	\$185.00
Project Controls Manager	\$165.00
Document Control	\$120.00
Administrative Assistant	\$105.00
Secretary	\$100.00

Expenses

Any reimbursable expenses incurred during Cumming Group’s performance of services, including, without limitation, all costs for personnel, per diem expenses, printing and/or shipping of deliverables will be billed at actual costs with 0% mark-up. On-site facilities are generally provided by the City or part of the contractor’s general conditions. If requested, these costs would fall under the reimbursable expenses category and shall be billed at cost with 0% markup. Client shall reimburse for any out-of-pocket expenses incurred which are authorized in advance and in writing.

