

**FIRST AMENDMENT TO THE AGREEMENT BETWEEN CITY OF CHULA VISTA AND
PROFESSIONAL PIPE SERVICES TO PROVIDE SEWER MANHOLE INSPECTION AND
EVALUATION SERVICES (SW296)**

This First Amendment (“First Amendment”) to the Agreement Between City Of Chula Vista and Professional Pipe Services to Provide Prevailing Wage Compensation for Sewer Manhole Inspection and Evaluation Services (“Agreement”) is entered into as of October 20, 2020 (“Effective Date”) with reference to the following facts:

WHEREAS, on March 12, 2015, the City advertised the Request for Proposal for sewer manhole inspection and evaluation services as subject to prevailing wage laws; and

WHEREAS, after receipt of proposals and prior to executing the Agreement, City determined that the services did not require payment of prevailing wages; and

WHEREAS, the service rates in Consultant’s proposal were therefore re-negotiated and paid at non-prevailing labor wage rates; and

WHEREAS, Consultant has satisfactorily executed its work and performance obligations under the Agreement during the years 2015 through 2019; and

WHEREAS, December 2019, the Department of Industrial Relations (DIR) sent a Notice of Investigation (Case Number 40-68361-341) to the Consultant and requested payroll records for the entire Agreement term; and

WHEREAS, in response to the DIR investigation, the Consultant issued additional payments to laborers to supplement wages and meet prevailing wage requirements in a total amount of \$73,876.61; and

WHEREAS, the Consultant is requesting reimbursement from the City; and

NOW THEREFORE, in consideration of the above recitals and the mutual obligations of the parties set forth herein, City and Consultant agree as follows:

1. City shall issue payment to Consultant in the amount \$73,876.61 based on the increase in labor rates paid by Consultant to comply with the applicable prevailing wage rates as outlined on Exhibit “A” hereto.
2. After the DIR completes its investigation and issues findings with regard to Case Number 40-68361-341, City and Consultant agree to meet-and-confer in good faith to determine if any further payment from City to Consultant is necessary or appropriate based on those findings of DIR. If the parties so agree that further payment from City to Consultant is necessary or appropriate, a subsequent written amendment to the Agreement shall be entered into by the parties.
3. Each party represents that it has full right, power and authority to execute this First Amendment and to perform its obligations hereunder, without the need for any further action under its governing instruments, and the parties executing this First Amendment on the behalf of such party are duly authorized agents with authority to do so.

Except as expressly amended above, the Agreement will remain unchanged.

[Signature page follows.]

IN WITNESS WHEREOF, intending to be legally bound, the Parties hereto have caused this Amendment to be signed by the duly authorized representatives as of the day and year last signed below.

City of Chula Vista

Hoffman Southwest Corp. dba
Professional Pipe Services

Name: _____

Name: _____

Title: _____

Title: _____

REVISIONS TO EXHIBIT A OF AGREEMENT

EXHIBIT A

DIFFERENCE IN RATES USED TO CALCULATE ADDITIONAL PAYMENTS

	Regular Time	Overtime	Double Time
Average Rate Paid	\$ 20.40	\$ 30.80	\$ 41.02
Prevailing Wage Rate*	\$ 48.79	\$ 64.16	\$ 79.53
Rate Difference	\$ 28.39	\$ 33.36	\$ 38.51
Hours	1876	602	14
Rate Diff. x Hours	\$ 53,267	\$ 20,065	\$ 545
Total Amount			\$ 73,877

*Prevailing Wage Rate may differ after formal evaluation from the DIR.