



April 14, 2026

Patrick Martinez, MPL, ACE
City of Needles
City Manager
817 Third Street
Needles, CA 92363

Re: Letter Agreement for Professional Services for Support for ATP Cycle 8 Grant Application

Dear Mr. Martinez:

Kimley-Horn and Associates, Inc. (“Kimley-Horn” or “Consultant”) is pleased to submit this proposal to the City of Needles (“City”) for providing professional services related to the ATP Cycle 8 Application for the Bike Loop Project.

Project Understanding

The State of California released a call for projects for the eighth cycle of the Active Transportation Program (ATP) on March 19, 2026. Grant applications are due on June 22, 2026.

The City previously submitted a grant application for Active Transportation Program (ATP) Cycle 6, for which the City was awarded funding, and for Cycle 7 for which the City was not awarded funding.

Kimley-Horn will assist the City with the support of one (1) new grant application for the ATP Cycle 8 Large Infrastructure grant application as provided by the Caltrans Division of Local Assistance (DLA). The grant application will be prepared in a manner consistent with the Caltrans published guidelines. The City of Needles will lead efforts on the text portion of the grant application, while Kimley-Horn will lead efforts on preparation of the project concept, cost estimate, and schedule. Kimley-Horn will also review and provide feedback on the previous grant application that was submitted for Cycle 7.

The Scope of Services is defined in the following tasks.

Scope of Services

Task 1: Support Application Development for Bike Loop Project

- Participate in up to three (3) coordination calls or meetings with the City related to the Bike Loop Project and ATP application development.
- Support the City in refining and documenting the Bike Loop Project definition based on Cycle 8 ATP requirements and direction from the City.
- Provide advice on key points to touch on for each of the questions in the application form that requires text narrative to be developed by way of a Narrative Strategy document.
- Provide raw files for any applicable technical information / data from recent work on the Active Transportation Plan to support the City’s preparation of application narratives, tables, and attachments.
- Document key engineering assumptions and design considerations to support application consistency and completeness.
- Advise City on critical path / required items including Letters of Support, coordination with State Conservation Corps, and non-infrastructure costs, as applicable.
- Review application narratives developed by the City.

Deliverables:

- Application support materials previously developed for the Active Transportation Plan
- Narrative Strategy document
- Consolidated set of comments on application narratives developed by the City

Task 2: Develop Concepts, Engineer's Estimate and Schedule for Bike Loop Project

- Develop and refine concept-level design alternatives for the Bike Loop Project based on ATP eligibility requirements, prior coordination meetings, and City direction.
- Prepare conceptual layout for the project illustrating proposed bicycle facilities, intersection treatments, and supporting pedestrian improvements, as applicable.
- Coordinate with the City to confirm assumptions, limits, and consistency with adopted plans and policies.
- Prepare a detailed Engineer's Opinion of Probable Construction Cost (OPCC) for the Bike Loop Project consistent with ATP guidance and Attachment F requirements.
- Update the cost estimate as needed based on agreed-upon refinements to the project concept.
- Develop a preliminary project delivery schedule reflecting key phases such as environmental clearance, design, right-of-way activities (if applicable), and construction.
- One round of revisions to exhibits, cost estimate, and schedule based on one consolidated set of comments from the City.

Deliverables:

- Concept-Level Project Exhibits (1 pdf)
- Engineer's Opinion of Probable Construction Cost (1 excel file)
- Preliminary Project Schedule (1 excel file)

Task 3: Review Cycle 7 Application for Sidewalk Infill Project

- Review the Cycle 7 Sidewalk Infill Project application materials, including project description, scoring components, cost estimate summaries, and supporting exhibits provided by the City.
- Assess the application against Cycle 7 ATP scoring results, reviewer comments, and known competitiveness factors.
- Identify key factors that may have limited competitiveness, including project definition, facility types, eligibility, cost effectiveness, safety narrative, or alignment with ATP goals.
- Prepare a brief written summary (email) outlining high-level observations and recommended considerations for future grant cycles or project refinements.

Deliverables:

- Cycle 7 application review summary email

Information Provided By Client

Kimley-Horn shall be entitled to rely on the completeness and accuracy of all information provided by the City. The City shall provide all information requested by Kimley-Horn during the project including but not limited to the following:

- Right-of-Way information if available
- As-Builts (in AutoCAD format) if available
- Previous Cycle 6 and Cycle 7 grant submittal packages

Services Not Included

Any other services, including but not limited to the following, are included not included in this Agreement:

- Field visit
- Grant application narrative development
- Meetings in addition to those identified in the scope

- Letters of support development or coordination
- Application submittal

Schedule

Kimley-Horn will perform the services as expeditiously as practicable with the goal of meeting a mutually agreed upon schedule.

Fee and Expenses

Kimley-Horn will perform the services in Tasks 1 - 3 for the total lump sum labor fee below. In addition to the lump sum labor fee, direct reimbursable expenses such as express delivery services, air travel, subconsultant costs, and other direct expenses will be billed at 1.15 times cost. All permitting, application, and similar project fees will be paid directly by the Client. Should the Client request Kimley-Horn to advance any such project fees on the Client's behalf, a separate invoice for such fees, with a fifteen percent (15%) markup, will be immediately issued to and paid by the Client.

Task Number & Name		Fee	Type
1	Support Application for Bike Loop Project	\$5,880	Lump Sum
2	Develop Concept, Engineer's Estimate and Schedule for Bike Loop Project	\$11,870	Lump Sum
3	Review Cycle 7 Application for Sidewalk Infill Project	\$1,250	Lump Sum
Total		\$19,000	


Lump sum labor fees will be invoiced monthly based upon the overall percentage of services performed. Payment will be due within 30 days of your receipt of the invoice and should include the invoice number and Kimley-Horn project number.

Closure

We appreciate the opportunity to provide these services. Please contact me if you have any questions.

Sincerely,

KIMLEY-HORN AND ASSOCIATES, INC.



Amy Restelli
Project Manager



Megan Ulery, P.E., LEED AP
Vice-President

KIMLEY-HORN AND ASSOCIATES, INC.
STANDARD PROVISIONS

- 1) **Kimley-Horn's Scope of Services and Additional Services.** Kimley-Horn will perform only the services specifically described in this Agreement ("Services"). Any services that are not set forth in the scope of Services described herein will constitute additional services ("Additional Services"). If requested by the Client and agreed to by Kimley-Horn, Kimley-Horn will perform Additional Services, which shall be governed by these provisions. Unless otherwise agreed to in writing, the Client shall pay Kimley-Horn for any Additional Services an amount based upon Kimley-Horn's then-current hourly rates plus an amount to cover certain direct expenses including in-house reproduction, postage, supplies, digital data storage and security, and local mileage. Other direct expenses will be billed at 1.15 times cost.
- 2) **Client's Responsibilities.** In addition to other responsibilities herein or imposed by law, the Client shall:
 - a. Designate in writing a person to act as its representative, such person having complete authority to transmit instructions, receive information, and make or interpret the Client's decisions.
 - b. Provide all information and criteria as to the Client's requirements, objectives, and expectations for the Project and all standards of development, design, or construction.
 - c. Provide Kimley-Horn all available studies, plans, or other documents pertaining to the Project, such as surveys, engineering data, environmental information, etc., all of which Kimley-Horn may rely upon.
 - d. Arrange for access to the site and other property as required for Kimley-Horn to provide its Services.
 - e. Review all documents or reports presented by Kimley-Horn and communicate decisions pertaining thereto within a reasonable time so as not to delay Kimley-Horn.
 - f. Furnish approvals and permits from governmental authorities having jurisdiction over the Project and approvals and consents from other parties as may be necessary.
 - g. Obtain any independent accounting, legal, insurance, cost estimating, and feasibility services required by Client.
 - h. Give prompt written notice to Kimley-Horn whenever the Client becomes aware of any development that affects Kimley-Horn's Services or any defect or noncompliance in any aspect of the Project.
- 3) **Period of Services.** Unless otherwise stated herein, Kimley-Horn will begin work after receipt of a properly executed copy of this Agreement. This Agreement assumes conditions permitting continuous and orderly progress through completion of the Services. Times for performance shall be extended as necessary for delays or suspensions due to circumstances that Kimley-Horn does not control. If such delay or suspension extends for more than six months, Kimley-Horn's compensation shall be renegotiated.
- 4) **Method of Payment.** Client shall pay Kimley-Horn as follows:
 - a. Invoices will be submitted periodically for Services performed and expenses incurred. Invoices are due and payable upon presentation. Client shall pay Kimley-Horn a time price differential of one and one-half percent (1.5%) of the outstanding amount of each invoice that is overdue for more than 30 days. The Client shall also pay any applicable sales tax. All retainers will be held by Kimley-Horn and applied against the final invoice. If the Client fails to make any payment due under this or any other agreement within 30 days after presentation, Kimley-Horn may, after giving notice to the Client, suspend services and withhold deliverables until all amounts due are paid, and may commence legal proceedings including filing liens to secure payment.
 - b. The Client will remit all payments electronically to:

Account Name: KIMLEY-HORN AND ASSOCIATES, INC.
Bank Name and Address: WELLS FARGO BANK, N.A., SAN FRANCISCO, CA 94104
Account Number: 2073089159554
ABA#: 121000248
 - c. The Client will send the Project number, invoice number, and other remittance information by e-mail to payments@kimley-horn.com at the time of payment.
 - d. If the Client relies on payment or proceeds from a third party to pay Kimley-Horn and Client does not pay Kimley-Horn's invoice within 60 days of receipt, Kimley-Horn may communicate directly with such third party to secure payment.
 - e. If the Client objects to an invoice, it must advise Kimley-Horn in writing giving its reasons within 14 days of receipt of the invoice or the Client's objections will be waived, and the invoice shall conclusively be deemed due and owing. If the Client objects to only a portion of the invoice, payment for all other portions remains due.

- f. If Kimley-Horn initiates legal proceedings to collect payment, it shall recover, in addition to all amounts due, its reasonable attorneys' fees, reasonable experts' fees, and other expenses related to the proceedings. Such expenses shall include the cost, at Kimley-Horn's normal hourly billing rates, of the time devoted to such proceedings by its employees.
 - g. The Client agrees that the payment to Kimley-Horn is not subject to any contingency or condition. Kimley-Horn may negotiate payment of any check tendered by the Client, even if the words "in full satisfaction" or words intended to have similar effect appear on the check without such negotiation being an accord and satisfaction of any disputed debt and without prejudicing any right of Kimley-Horn to collect additional amounts from the Client.
- 5) **Use of Deliverables.** All documents, data, and other deliverables prepared by Kimley-Horn are related exclusively to the Services described in this Agreement and may be used only if the Client has satisfied all of its obligations under this Agreement. They are not intended or represented to be suitable for use or reuse by the Client or others on extensions of this Project or on any other project. Any modifications by the Client to any of Kimley-Horn's deliverables, or any reuse of the deliverables without written authorization by Kimley-Horn will be at the Client's sole risk and without liability to Kimley-Horn, and the Client shall indemnify, defend and hold Kimley-Horn harmless from all claims, damages, losses and expenses, including but not limited to attorneys' fees, resulting therefrom. Kimley-Horn's electronic files and source code remain the property of Kimley-Horn and shall be provided to the Client only if expressly provided for in this Agreement. Any electronic files not containing an electronic seal are provided only for the convenience of the Client and use of them is at the Client's sole risk. In the case of any defects in the electronic files or any discrepancies between them and the hardcopy of the deliverables prepared by Kimley-Horn, the hardcopy shall govern.
 - 6) **Intellectual Property.** Kimley-Horn may use or develop its proprietary software, patents, copyrights, trademarks, trade secrets, and other intellectual property owned by Kimley-Horn or its affiliates ("Intellectual Property") in the performance of this Agreement. Intellectual Property, for purposes of this section, does not include deliverables specifically created for Client pursuant to the Agreement and use of such deliverables is governed by section 5 of this Agreement. Kimley-Horn maintains all interest in and ownership of its Intellectual Property and conveys no rights in the Intellectual Property to Client, unless otherwise agreed to in writing. Any enhancements of Intellectual Property made during the performance of this Agreement are solely owned by Kimley-Horn and its affiliates. If Kimley-Horn's Services include providing Client with access to or a license for Kimley-Horn's (or its affiliates') proprietary software or technology, Client agrees to the Terms of Service set forth at <https://www.khtsinc.com/terms-of-Service/> which terms are incorporated herein by reference.
 - 7) **Opinions of Cost.** Because Kimley-Horn does not control the cost of labor, materials, equipment or services furnished by others, methods of determining prices, or competitive bidding or market conditions, any opinions rendered as to costs, including but not limited to the costs of construction and materials, are made solely based on its judgment as a professional familiar with the industry. Kimley-Horn cannot and does not guarantee that proposals, bids or actual costs will not vary from its opinions of cost. If the Client wishes greater assurance as to the amount of any cost, it shall employ an independent cost estimator. Kimley-Horn's services required to bring costs within any limitation established by the Client will be paid for as Additional Services.
 - 8) **Termination.** The obligation to provide further services under this Agreement may be terminated by either party upon seven days' written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof, or upon thirty days' written notice for the convenience of the terminating party. Kimley-Horn shall be paid for all services rendered and expenses incurred to the effective date of termination, and other reasonable expenses incurred by Kimley-Horn as a result of such termination.
 - 9) **Standard of Care.** The standard of care applicable to Kimley-Horn's Services will be the degree of care and skill ordinarily exercised by consultants performing the same or similar services in the same locality at the time the Services are provided. No warranty, express or implied, is made or intended by Kimley-Horn's performance of services, and it is agreed that Kimley-Horn is not a fiduciary with respect to the Client.
 - 10) **LIMITATION OF LIABILITY.** In recognition of the relative risks and benefits of the Project to the Client and Kimley-Horn, the risks are allocated such that, to the fullest extent allowed by law, and notwithstanding any other provisions of this Agreement or the existence of applicable insurance coverage, that the total liability, in the aggregate, of Kimley-Horn and Kimley-Horn's officers, directors, employees, agents, and

subconsultants to the Client or to anyone claiming by, through or under the Client, for any and all claims, losses, costs, attorneys' fees, or damages whatsoever arising out of or in any way related to the services under this Agreement from any causes, including but not limited to, the negligence, professional errors or omissions, strict liability or breach of contract or any warranty, express or implied, of Kimley-Horn or Kimley-Horn's officers, directors, employees, agents, and subconsultants, shall not exceed twice the total compensation received by Kimley-Horn under this Agreement or \$50,000, whichever is greater. An increase to this limitation of liability may be negotiated for additional fee. This Section is intended solely to limit the remedies available to the Client or those claiming by or through the Client, and nothing in this Section shall require the Client to indemnify Kimley-Horn.

- 11) **Mutual Waiver of Consequential Damages.** In no event shall either party be liable to the other for any consequential, incidental, punitive, or indirect damages including but not limited to loss of income or loss of profits.
- 12) **Professional Liability Insurance.** Kimley-Horn will maintain a professional liability insurance policy for the services provided by Kimley-Horn during the course of this Agreement.
- 13) **Construction Costs.** Under no circumstances shall Kimley-Horn be liable for extra costs or other consequences due to changed or unknown conditions or related to the failure of contractors to perform work in accordance with the plans and specifications. Kimley-Horn shall have no liability whatsoever for any costs arising out of the Client's decision to obtain bids or proceed with construction before Kimley-Horn has issued final, fully approved plans and specifications. The Client acknowledges that all preliminary plans are subject to substantial revision until plans are fully approved and all permits obtained.
- 14) **Certifications.** All requests for Kimley-Horn to execute certificates, lender consents, or other third-party reliance letters must be submitted to Kimley-Horn at least 14 days prior to the requested date of execution. Kimley-Horn shall not be required to execute certificates, consents, or third-party reliance letters that are inaccurate, that relate to facts of which Kimley-Horn does not have actual knowledge, or that would cause Kimley-Horn to violate applicable rules of professional responsibility.
- 15) **Dispute Resolution.** All claims arising out of this Agreement or its breach shall be submitted first to mediation in accordance with the American Arbitration Association as a condition precedent to litigation. Any mediation or civil action by Client must be commenced within one year of the accrual of the cause of action asserted but in no event later than allowed by applicable statutes.
- 16) **Hazardous Substances and Conditions.** Kimley-Horn shall not be a custodian, transporter, handler, arranger, contractor, or remediator with respect to hazardous substances and conditions. Kimley-Horn's Services will be limited to analysis, recommendations, and reporting, including, when agreed to, plans and specifications for isolation, removal, or remediation. Kimley-Horn will notify the Client of unanticipated hazardous substances or conditions of which Kimley-Horn actually becomes aware. Kimley-Horn may stop affected portions of its Services until the hazardous substance or condition is eliminated.
- 17) **Construction Phase Services.**
 - a. If Kimley-Horn prepares construction documents and Kimley-Horn is not retained to make periodic site visits, the Client assumes all responsibility for interpretation of the documents and for construction observation, and the Client waives any claims against Kimley-Horn in any way connected thereto.
 - b. Kimley-Horn shall have no responsibility for any contractor's means, methods, techniques, equipment choice and usage, equipment maintenance and inspection, sequence, schedule, safety programs, or safety practices, nor shall Kimley-Horn have any authority or responsibility to stop or direct the work of any contractor. Kimley-Horn's visits will be for the purpose of observing construction and reporting to the Client whether the contractors' work generally conforms to the construction documents prepared by Kimley-Horn. Kimley-Horn neither guarantees the performance of contractors, nor assumes responsibility for any contractor's failure to perform its work in accordance with the contract documents.
 - c. Kimley-Horn is not responsible for any duties assigned to it in the construction contract that are not expressly provided for in this Agreement. The Client agrees that each contract with any contractor shall state that the contractor shall be solely responsible for job site safety and its means and methods; that the contractor shall indemnify the Client and Kimley-Horn for all claims and liability arising out of job site accidents; and that the Client and Kimley-Horn shall be made additional insureds under the contractor's general liability insurance policy.

- 18) **No Third-Party Beneficiaries; Assignment and Subcontracting.** This Agreement gives no rights or benefits to anyone other than the Client and Kimley-Horn, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole benefit of the Client and Kimley-Horn. The Client shall not assign or transfer any rights under or interest in this Agreement, or any claim arising out of the performance of services by Kimley-Horn, without the written consent of Kimley-Horn. Kimley-Horn reserves the right to augment its staff with subconsultants as it deems appropriate due to project logistics, schedules, or market conditions. If Kimley-Horn exercises this right, Kimley-Horn will maintain the agreed-upon billing rates for services identified in the contract, regardless of whether the services are provided by in-house employees, contract employees, or independent subconsultants.
- 19) **Confidentiality.** The Client consents to the use and dissemination by Kimley-Horn of photographs of the Project and to the use by Kimley-Horn of facts, data and information obtained by Kimley-Horn in the performance of its Services. If, however, any facts, data or information are specifically identified in writing by the Client as confidential, Kimley-Horn shall use reasonable care to maintain the confidentiality of that material.
- 20) **Miscellaneous Provisions.** This Agreement is to be governed by the law of the State of California. This Agreement contains the entire and fully integrated agreement between the parties and supersedes all prior and contemporaneous negotiations, representations, agreements, or understandings, whether written or oral. Except as provided in Section 1, this Agreement can be supplemented or amended only by a written document executed by both parties. Any conflicting or additional terms on any purchase order issued by the Client shall be void and are hereby expressly rejected by Kimley-Horn. If Client requires Kimley-Horn to register with or use an online vendor portal for payment or any other purpose, any terms included in the registration or use of the online vendor portal that are inconsistent or in addition to these terms shall be void and shall have no effect on Kimley-Horn or this Agreement. Any provision in this Agreement that is unenforceable shall be ineffective to the extent of such unenforceability without invalidating the remaining provisions. The non-enforcement of any provision by either party shall not constitute a waiver of that provision nor shall it affect the enforceability of that provision or of the remainder of this Agreement.