



Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Honorable Mayor Montgomery and Members of the City Council

THROUGH: David N. Carmany, City Manager

FROM: Jim Arndt, Director of Public Works
Steve Finton, City Engineer
Gilbert Gamboa, Senior Civil Engineer

DATE: April 5, 2011

SUBJECT: Consideration to Authorize the City Manager to Approve an Amendment to the Existing Agreement with AAE, Inc. Adding Design Services for the Fiscal Year 2011-2012 Water Main Replacement Project Phase 2 in an Amount Not-to-Exceed \$37,860

RECOMMENDATION:

Staff recommends that City Council Authorize the City Manager to approve Amendment No. 2 to the existing professional services agreement with AAE, Inc. adding design services for the fiscal year 2011-2012 Water Main Replacement Project – Phase 2 in the amount of \$37,860 increasing the not-to-exceed contract amount to \$147,630.

FISCAL IMPLICATION:

Existing AAE, Inc. Consultant Contract - Sewer Main Design

AAE, Inc. is currently under contract to the City in the amount of \$109,770 to perform sewer design services for the fiscal year 2010-2011 and fiscal year 2011-2012 Sewer Main Rehabilitation Projects. Sewer Enterprise Funds in the amount of \$1,250,000 were appropriated by City Council for these projects through the fiscal year 2010-2011 Capital Improvement Program. The balance of funds (\$1,140,230) is available for construction.

Proposed AAE, Inc. Amendment - Water Main Design

It is proposed that an amendment to the existing agreement with AAE, Inc. in the amount of \$37,860 be approved for the design of Phase 2 of the fiscal year 2011-2012 Water Main Replacement Project. Water Enterprise Funds in the amount of \$200,000 have been appropriated for the design of Phases 1 and 2 of this project. A previous contract was issued to Willdan Engineering for the design of Phase 1 (\$83,360) leaving a balance of \$116,640 for the design of Phase 2. The recommended agreement amendment with AAE, Inc. would be in the not-to-exceed amount of \$37,860 leaving a balance of appropriations in the amount of \$78,780. Construction funds for Phases 1 and 2 in the amount of \$2,000,000 are scheduled for appropriation through the fiscal year 2011-2012 Capital Improvement Program.

A breakdown of revenues and anticipated expenditures is presented on the following table.

SEWER PROJECTS		Amount to AAE, Inc. Contract	
Budget			
Fiscal year 2010-2011 Sewer Main Rehabilitation Project	CIP11836E	\$ 1,050,000	
Fiscal year 2011-2012 Sewer Main Rehabilitation Project	CIP11837E	\$ 200,000	
Total		\$ 1,250,000	
Anticipated Expenditures			
Current Sewer Design Contract With AAE, Inc.		\$ 109,770	\$ 109,770
Geotechnical Investigation		\$ 18,490	
Estimated balance upon completion of sewer main design		\$ 1,121,740	

WATER PROJECTS			
Budget			
Fiscal Year 2011-2012 Water Main Replacement Project.	CIP 11835E	\$ 200,000	
Anticipated Expenditures			
Current Water Design Contract, Water Phase 1 (Willdan Engineering)		\$ 83,360	
Recommended Amendment No. 2 to existing contract with AAE, Inc. for Water Phase 2 (AAE, Inc.)		\$ 37,860	\$ 37,860
Estimated balance upon completion of water main design		\$ 78,780	

Total contract with AAE, Inc. including recommended Amendment No. 2	\$147,630
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BACKGROUND:

The City is conducting an aggressive water and sewer infrastructure reinvestment program. Water main and sewer main designs are currently being prepared for construction in fiscal year 2011-2012. In planning the design arrangements for the water main projects, it was determined that breaking the fiscal year 2011-2012 water main replacement project into two phases would better utilize the City’s staff resources and facilitate design coordination of collocated sewer and water replacement projects. To this end, staff recommends adding water main work to the existing AAE, Inc. contract such that a water main replacement in Seventh Street can be coordinated with a sewer main replacement in Seventh Street currently being designed by AAE, Inc.

AAE, Inc. Sewer Main Design Contract

On February 5, 2008, City Council awarded professional services agreements to five consultant firms including AAE, Inc. to provide as-needed engineering design services for three-year terms. On November 3, 2010, City Council approved Amendment No. 1 to the AAE, Inc. agreement for the design of the fiscal year 2010-2011 and 2011-2012 Sewer Main Rehabilitation Projects in an amount not to exceed \$109,770. The Amendment also extended the term of the agreement.

Water Main Project

The fiscal year 2011-2012 Water Main Replacement Project includes the replacement of 11,600 lineal feet of mains in the southerly sand section of town and has been broken into two phases for design and construction. The design of phase 1 was awarded to Willdan Engineering on February 15, 2011 in the amount of \$83,360. It is recommended that design of Phase 2, which includes replacement of water mains indicated in the table below, be added to the existing agreement with AAE, Inc. through approval of a second Amendment to the current AAE, Inc. agreement.

Phase 2 Water Main Replacements				
No.	St. Name	From	To	Length (LF)
1	Highland Ave	6 th Street	10 th Street	1,000
2a	7 th Street (walk street)	Ocean Drive	Crest Dr.	700
2b*	7 th Street (walk street)	Crest Dr.	Valley Drive	750
3	6 th Street (walk street)	Ocean Drive	Highland Ave	555
4	Morningside Drive	2 nd Street	3 rd Street	255
Total				3,260

* Portion of project with overlapping Sewer and Water Improvements (750 lineal feet)

DISCUSSION:

Water Main Design Services - Recommended Amendment No. 2 to AAE, Inc.

The recommended Amendment No. 2 to the current agreement with AAE, Inc. would complete construction drawings for the Phase 2 water main replacement project for the not-to-exceed amount of \$37,860. The total amount awarded to AAE, Inc. for the sewer and water work combined will not exceed \$147,630.

Attachments:

- 1) Map of FY 2011-2012 Water Main Replacement Project - Phase 2 Locations
- 2) Amendment No. 2 to Add New Scope of Work to existing Professional Services Agreement with AAE, Inc. for the fiscal year 2010-2011 and 2011-2012 Sewer Main Rehabilitation Projects

xc: Henry Mitzner, Controller
 Robert Wadden, City Attorney

AMENDMENT No. 2

to

**Agreement for Professional Design Services, as necessary
dated February 6, 2008
by the City of Manhattan Beach and AAE, Incorporated**

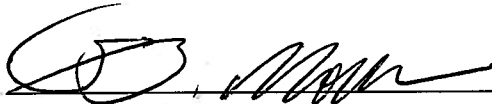
The terms of the agreement are amended as follows:

2. Services to be Provided – The services to be provided hereunder shall be *those set forth in Exhibit "A", Scope of Work*, which is attached hereto and incorporated herein by this reference. Written authorization by CITY will be required for all services provided.
 - 2.1 Additional Scope of Work – Professional services to design the **2011-2012 Water Main Replacement Project, Phase 2** (in conjunction with the 2011-2012 Sewer Main Rehabilitation Project) shall be added to the services provided and set forth in Exhibit "A", Scope of Work.
 - 3.2 Payment – For work under this Agreement, payment shall be made per monthly invoice. For extra work not a part of this Agreement, written authorization by CITY will be required, *[payment shall be based on hourly rates in Exhibit "B"]*.
 - (1) **Payment for professional services to design the 2011-2012 Water Main Replacement Project, Phase 2 shall be based on hourly rates in Exhibit "B"**.

All other provisions of the original agreement shall remain unchanged and enforceable.

IN WITNESS THEREOF, the parties hereto have executed this Agreement on the day and year indicated below.

CONSULTANT: AAE, Incorporated

By  3/2/2011
Sid Mousavi, PE Date
Chief Executive Officer

CITY OF MANHATTAN BEACH:

By _____
City Manager Date

AMENDMENT No. 2
to
Agreement for Professional Design Services, as necessary
dated February 6, 2008
by the City of Manhattan Beach and AAE, Incorporated

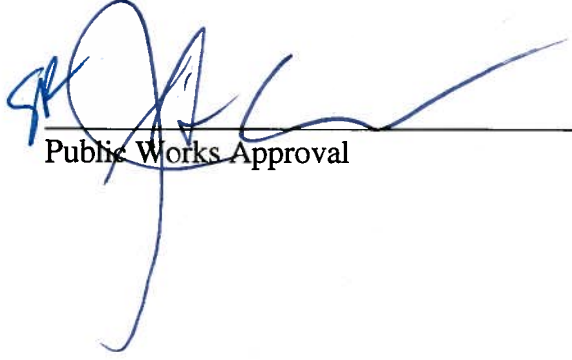
ATTEST:

City Clerk (stamp) Date

APPROVED AS TO FORM:



City Attorney Date 3/7/11



Public Works Approval Date 3/17/11

AGREEMENT

THIS AGREEMENT is made this 6th day of February, 2 008 by the CITY OF MANHATTAN BEACH, a municipal corporation, ("CITY"), and (AAE, Incorporated); a consultant, ("CONSULTANT").

RECITALS

The following recitals are a substantive part of this Agreement:

1. City is desirous of obtaining professional design services as necessary.
2. CONSULTANT is qualified by virtue of experience, training, education, and expertise to accomplish these services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. Term of Agreement. This Agreement shall terminate three (3) years from the date this agreement is executed, unless earlier terminated as provided below or extended as provided below.

1.1 Termination. CITY and CONSULTANT shall have the right to terminate this Agreement, without cause, by giving fifteen (15) days written notice. Upon receipt of a termination notice, CONSULTANT shall:

- (1) promptly discontinue all services affected (unless the notice directs otherwise); and
- (2) promptly deliver all data, reports, estimates, summaries, and such other information and materials as may have been accumulated by CONSULTANT in performing the Agreement to CITY, whether completed or in progress. CONSULTANT shall be entitled to reasonable compensation for the services it performs up to the date of termination.

1.2 Extension - CITY shall have the right to extend this agreement if CONSULTANT is working on an assignment and it is in the CITY's best interest to have CONSULTANT complete that assignment.

2. Services to be Provided. The services to be provided hereunder shall be *those set forth in Exhibit "A", Scope of Work*, which is attached hereto and incorporated herein by this reference. Written authorization by CITY will be required for all services provided.

3. Compensation. CONSULTANT shall be compensated as follows:

3.1 Amount. Compensation under this Agreement shall not exceed two hundred thousand dollars (\$200,000) for all services provided on all assignments.

3.2 Payment. For work under this Agreement, payment shall be made per monthly invoice. For extra work not a part of this Agreement, written authorization by CITY will be required, [payment shall be based on hourly rates in Exhibit "B"].

3.3 Expenses. CONSULTANT shall not be entitled to any additional compensation for expenses.

4. Professional Standards. CONSULTANT shall maintain or exceed the level of competency presently maintained by other similar practitioners in the State of California, for professional and technical soundness, accuracy and adequacy of all work, advice, and materials furnished under this Agreement.

5. Time of Performance. CONSULTANT shall complete all services required hereunder as and when directed by CITY. However, CITY in its sole discretion, may extend the time for performance of any service.

6. Employees and Subcontractors. CONSULTANT may, at CONSULTANT'S sole cost and expense, employ such other person(s) as may, in the opinion of CONSULTANT, be needed to comply with the terms of this Agreement, if such person(s) possess(es) the necessary qualifications to perform such services. If such person(s) is/are employed to perform a portion of the scope of work, the engagement of such person(s) shall be subject to the prior approval of the CITY.

7. Insurance Requirements.

7.1 Commencement of Work. CONSULTANT shall not commence work under this Agreement until it has obtained CITY approved insurance. Before beginning work hereunder, during the entire period of this Agreement, for any extensions hereto, and for periods after the end of this Agreement as indicated below, CONSULTANT must have and maintain in place, all of the insurance coverages required in this Section 7. CONSULTANT'S insurance shall comply with all items specified by this Agreement. Any subcontractors shall be subject to all of the requirements of this Section 7 and CONSULTANT shall be responsible to obtain evidence of insurance from each subcontractor and provide it to CITY before the subcontractor commences work.

All insurance policies used to satisfy the requirements imposed hereunder shall be issued by insurers authorized to do business in the State of California. Insurers shall have a current A.M. Best's rating of not less than A-VII unless otherwise approved by CITY.

7.2 Coverages, Limits and Policy Requirements.
CONSULTANT shall maintain the types of coverages and limits indicated below:

(1) COMMERCIAL GENERAL LIABILITY INSURANCE - a policy for occurrence coverage, including all coverages provided by and to the extent afforded by Insurance Services Office Form CG 0001 ed. 11/88 or 11/85, with no special limitations affecting CITY. The limit for all coverages under this policy shall be no less than one million dollars (\$1,000,000.00) per occurrence. CITY, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by CITY. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 1 (General Liability) must be executed by the applicable insurance underwriters.

(2) COMMERCIAL AUTO LIABILITY INSURANCE - a policy including all coverages provided by and to the extent afforded by Insurance Services Office form CA 0001, ed. 12/93, including Symbol 1 (any auto) with no special limitations affecting the CITY. The limit for bodily injury and property damage liability shall be no less than one million dollars (\$1,000,000) per accident. CITY, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The

policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by CITY. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 2 (Auto) must be executed by the applicable insurance underwriters.

(3) WORKERS' COMPENSATION INSURANCE - a policy which meets all statutory benefit requirements of the Labor Code, or other applicable law, of the State of California. Employers Liability Insurance with a minimum limit of no less than one million dollars (\$1,000,000) per claim. The policy shall contain, or be endorsed to include, a waiver of subrogation in favor of CITY.

(4) PROFESSIONAL ERRORS & OMISSIONS - a policy with minimum limits of one million dollars (\$1,000,000) per claim and aggregate. This policy shall be issued by an insurance company which is qualified to do business in the State of California and contain a clause that the policy may not be canceled until thirty (30) days written notice of cancellation is mailed to CITY.

7.3 Additional Requirements. The procuring of such required policies of insurance shall not be construed to limit CONSULTANT'S liability hereunder, nor to fulfill the indemnification provisions and requirements of this Agreement. There shall be no recourse against CITY for payment of premiums or other amounts with respect thereto. CITY shall notify CONSULTANT in writing of changes in the insurance requirements. If CONSULTANT does not deposit copies of acceptable insurance policies with CITY incorporating such changes within sixty (60) days of receipt of such notice, CONSULTANT shall be deemed in default hereunder.

Any deductibles or self-insured retentions must be declared to and approved by CITY. Any deductible exceeding an amount acceptable to CITY shall be subject to the following changes:

- (1) either the insurer shall eliminate, or reduce, such deductibles or self-insured retentions with respect to CITY and its officials, employees and agents (with additional premium, if any, to be paid by CONSULTANT) ; or
- (2) CONSULTANT shall provide satisfactory financial guarantee for payment of losses and related investigations, claim administration, and defense expenses.

7.4 Verification of Compliance. CONSULTANT shall furnish CITY with original endorsements effecting coverage required by this Agreement. The endorsements are to be signed by a person authorized by the insurer to bind coverage on its behalf. All endorsements are to be received and approved by CITY before work commences. Not less than fifteen (15) days prior to the expiration date of any policy of insurance required by this Agreement, CONSULTANT shall deliver to CITY a binder or certificate of insurance with respect to each renewal policy, bearing a notation evidencing payment of the premium therefor, or accompanied by other proof of payment satisfactory to CITY.

8. Non-Liability of Officials and Employees of the CITY. No official or employee of CITY shall be personally liable for any default or liability under this Agreement.

9. Non-Discrimination. CONSULTANT covenants there shall be no discrimination based upon race, color, creed, religion, sex, marital status, age, handicap, national origin, or ancestry, in any activity pursuant to this Agreement.

10. Independent Contractor. It is agreed that CONSULTANT shall act and be an independent contractor and not an agent or employee of CITY, and shall obtain no rights to any benefits which accrue to CITY'S employees.

11. Compliance with Law. CONSULTANT shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government.

12. Ownership of Work Product. All documents or other information created, developed or received by CONSULTANT shall, for purposes of copyright law, be deemed works made for hire for CITY by CONSULTANT as CITY'S employee(s) for hire and shall be the sole property of CITY. CONSULTANT shall provide CITY with copies of these items upon demand and in any event, upon termination or expiration of the term of this Agreement.

13. **Conflict of Interest and Reporting.** CONSULTANT shall at all times avoid conflict of interest, or appearance of conflict of interest, in performance of this Agreement.

14. **Notices.** All notices shall be personally delivered or mailed to the below listed addresses. These addresses shall be used for delivery of service of process.

a. Address of CONSULTANT is as follows:

AAE, Incorporated
601 Valencia Avene
Suite 250
Brea, CA 92823

b. Address of CITY is as follows:

City of Manhattan Beach
1400 Highland Ave
Manhattan Beach, CA 90266

(with a copy to):

City Attorney
City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, CA 90266

15. **Consultant's Proposal.** This Agreement shall include CONSULTANT'S proposal or bid which is incorporated herein. In the event of any inconsistency between the terms of the proposal and this Agreement, this Agreement shall govern.

16. **Licenses, Permits, and Fees.** CONSULTANT shall obtain a Manhattan Beach Business License, all permits, and licenses as may be required by this Agreement.

17. **Familiarity with Work.** By executing this Agreement, CONSULTANT warrants that:

- (1) it has investigated the work to be performed;
- (2) it has investigated the site of the work and is aware of all conditions there; and
- (3) it understands the difficulties and restrictions of the work under this Agreement. Should CONSULTANT discover any conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY and shall not proceed, except at CONSULTANT's risk, until written instructions are received from CITY.

18. Time of Essence. Time is of the essence in the performance of this Agreement.

19. Limitations Upon Subcontracting and Assignment. Neither this Agreement, or any portion, shall be assigned by CONSULTANT without prior written consent of CITY.

20. Authority to Execute. The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement.

21. Indemnification. CONSULTANT agrees to indemnify, defend, and hold harmless CITY and its elective or appointive boards, officers, agents, attorneys and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees arising out of CONSULTANT'S negligence, willful misconduct or fraud in the performance of the Agreement by CONSULTANT, CONSULTANT'S agents, officers, employees, subcontractors, or independent contractor(s) hired by CONSULTANT. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONSULTANT.

22. Modification. This Agreement constitutes the entire agreement between the parties and supersedes any other agreements, oral or written. No promises, other than those included in this Agreement, shall be valid. This Agreement may be modified only by a written agreement executed by CITY and CONSULTANT.

23. California Law. This Agreement shall be construed in accordance with the laws of the State of California. Any action commenced about this Agreement shall be filed in the appropriate branch of the Los Angeles County Municipal or Superior Court.

24. Interpretation. This Agreement shall be interpreted as though prepared by both parties.

25. Preservation of Agreement. Should any provision of this Agreement be found invalid or unenforceable, the decision shall affect only the provision interpreted, and all remaining provisions shall remain enforceable.

26. Entire Agreement. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties with respect to the subject matter herein. Each party to this Agreement acknowledges that representations by any party not embodied herein, and any other agreements, statements, or promises concerning the subject matter of this Agreement, not contained in this Agreement, shall not be valid and binding. Any modification of this Agreement will be effective only if it is in writing signed by the parties. Any issue with respect to the interpretation or construction of this Agreement are to be

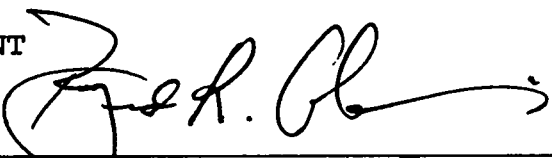
interpretation or construction of this Agreement are to be resolved without resorting to the presumption that ambiguities should be construed against the drafter.

27. **Attorneys' Fees.** In the event that legal action is necessary to enforce the provisions of the Agreement, or to declare the rights of the parties hereunder, the parties agree that the prevailing party in the legal action shall be entitled to recover attorneys' fees and court costs from the opposing party.

IN WITNESS THEREOF, the parties hereto have executed this Agreement on the day and year first shown above.

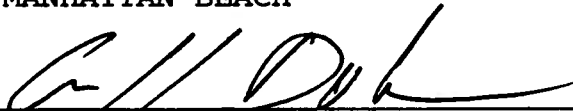
CONSULTANT

By



Raymond R. Abassi, President

CITY OF MANHATTAN BEACH

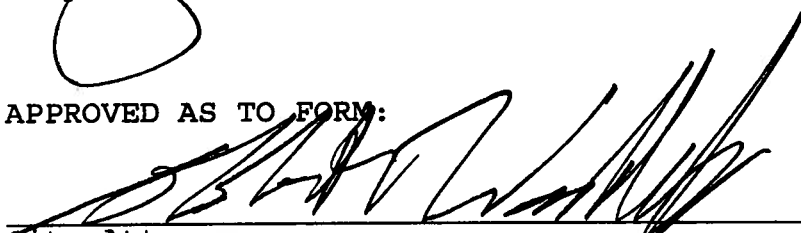
By


City Manager

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney


Public Works Approval

EXHIBIT "A"

**SCOPE OF WORK
for
2011-2012 WATER MAIN REPLACEMENT PROJECT
PHASE 2**

(AAE, Inc. PROPOSAL)



February 28, 2011

Mr. Gilbert Gamboa, P.E.
Senior Civil Engineer
Engineering Division
Public Works Department
City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, CA 90266

**Re: Revised Proposal to Provide Professional Engineering Design Services for
2011-12 Water Main Replacement Project – Phase 2**

Dear Mr. Gamboa:

Thank you for giving Advanced Applied Engineering, Inc. (AAE) the opportunity to submit the attached revised proposal for the above referenced project. Our mission at AAE is to continue to earn the respect and confidence of our clients by providing the highest standard of professional municipal services that ultimately contribute to the communities we serve. As you know, we are currently working on the sewer project within the same vicinity. For this project we have also provided the same outstanding team of engineers and subconsultants, all committed to the successful delivery of projects for the City of Manhattan Beach.

AAE has the personnel with knowledge and experience to provide the requested services as we have been providing similar services to a number of cities in the Southern California region. We believe that our knowledge of the City procedures and standards enables us to perform our duties in the most effective and efficient manner.

AAE is incorporated in the State of California and has over 50 employees. Our corporate office is located at 1815 East Heim Avenue in Orange, California. Our main office number is 714-940-0100 and you may fax us at 714/940-0700. Please visit us on the web at www.aaeinc.com.

Respectfully submitted,


for Sid Mousavi, P.E.
Chief Executive Officer

AAE, Inc. -- PEOPLE YOU KNOW... MAKING A DIFFERENCE IN YOUR COMMUNITY

Telephone: (714) 940-0100, Fax: (714) 940-0700
1815 East Heim Avenue, Suite 100 Orange, CA 92865

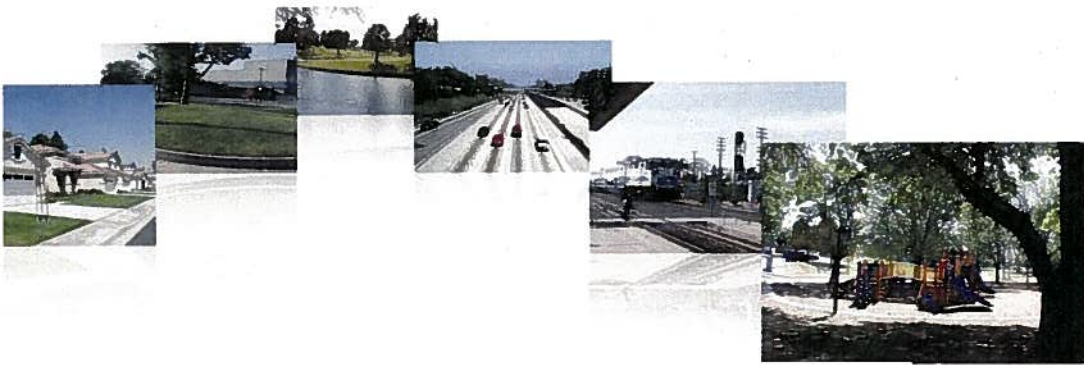
www.aaeinc.com



People you know...

making a difference
in your Community

www.aadeinc.com



City of Manhattan Beach

Revised Proposal to Provide Professional
Engineering Design Services for
2011-12 Water Main Replacement Project – Phase 2

February 28, 2011

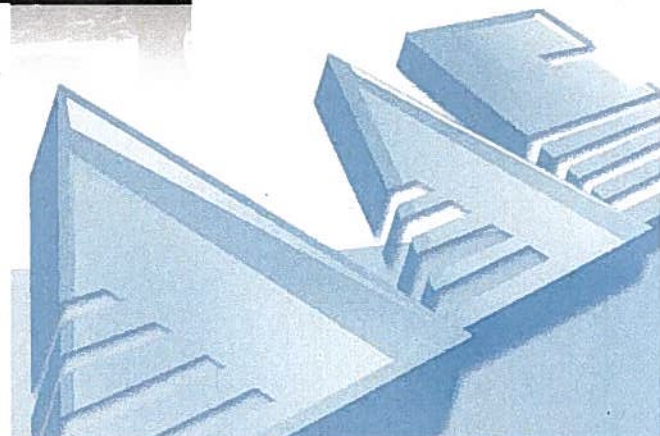




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FIRM PROFILE

Established in 1994, AAE set out to be the leader in the engineering industry. From the beginning, we have been committed to making a difference in the communities we serve. As our success in this endeavor has led us to growth, we have been able to increase the ways in which we can make a difference. Today, our services extend far beyond engineering.

As a Municipal Services provider, we are proud to offer the following services: Civil Engineering, Staff Augmentation, Program Management, Construction Management, Public Works Inspection, Traffic and Transportation Engineering, Assessment Engineering, Building and Safety, Inspection, Surveying, GIS Infrastructure Management, NPDES Management, Grant Writing, Funding Administration, and Public Relations. We have extensive expertise and experience in all facets of municipal projects and are knowledgeable of federal, state, county and municipal regulations.

Every element of AAE is structured to commitment and technical excellence with an emphasis on our client's needs. We continually strive to be the best in our market by focusing on quality, efficiency, and cost effectiveness as well as complete and timely delivery.

AAE is incorporated under the laws of the State of California and employs over 50 employees with annual growth revenues of approximately \$5,000,000. The corporate office is located at: 1818 E. Heim Avenue, Suite 100, Orange, CA 92865.

AAE has an impressive list of municipal clients which includes cities such as: Anaheim, Baldwin Park, Bell Gardens, Brea, Carson, Chino Hills, Compton, Costa Mesa, Diamond Bar, El Segundo, Hermosa Beach, Huntington Park, Industry, Irvine, Irwindale, La Habra, La Palma, La Puente, Lake Forest, Lynwood, Manhattan Beach, Malibu, Maywood, Montebello, Moreno Valley, Mission Viejo, Ontario, Orange, Palm Desert, Pasadena, Pico Rivera, Pomona, Redondo Beach, San Clemente, South El Monte, South Gate, Temecula, Temple City, West Covina, and Whittier. Additional clients include Los Angeles County Community Development Commission, as well as Los Angeles County Department of Public Works.

THE AAE ADVANTAGE

- AAE is committed to excellence. We stand behind our reputation to provide only the highest level of products and services in an effort to enhance the quality of life for the communities we serve.
- Our dedicated and focused staffs of professional engineers, surveyors, inspectors, technicians, program managers and support personnel are not only experts in their field, but they are also leaders in the industry, with direct and relevant experience providing complete turnkey services.
- AAE stays well informed in the industry and utilizes the latest technology available to identify cost effective solutions to our valued clients.
- We work to develop long-term relationships and consider ourselves to be an extension of our client cities.
- Our involvement with professional organizations and associations ensures that we remain on the "cutting edge" with respect to innovative changes in the industry.
- AAE continually strives to exceed expectations as relates to timely product delivery and meeting project budgets without sacrificing quality.
- We maintain the highest standard of ethics and our professionalism is evident in the integrity of the services we provide.



QUALITY CONTROL/QUALITY ASSURANCE

Our Quality Control/Quality Assurance practice involves a comprehensive process to ensure delivery of quality product and services. The Project Manager, together with a designated Team Leader, provide the leadership and guidance to obtain the comprehensive and complete design documents with the City of Manhattan Beach's expected quality and meeting all industry standards. These documents will result in minimal claims and contract change orders during the construction phase. Key elements of the company's quality control are the assignment of skilled and experienced personnel, effective communications and continuous monitoring. The quality control process includes:

1. Assignment of skilled professionals instituting a comprehensive and interactive orientation on the project goals, and the means of achieving these goals.
2. Daily contact by the Project Manager with each member of the assigned team for ongoing activity to provide support and guidance, and to maintain focus and momentum, and monitor the quality of work.
3. Maintaining regularly scheduled project staff meetings for reviewing work status, reviewing technical elements of the project, coordinating and interfacing of activities, reviewing budget parameters, and discussing upcoming activities and responsibilities.
4. Internal (peer review) audit of design services for quality, accuracy and completeness.
5. Strictly and rigorously following of AAE developed QA/QC standards and guidelines.
6. Review by the Principal Project Team Leader or designated Senior Project Team Leader prior to submittal to assure services meet all standards, codes, project goals and objectives, and contract requirements.
7. Constructability review by experienced, skillful construction professionals.

PROJECT UNDERSTANDING

The City of Manhattan Beach intends to replace its water mains within the City's system as part of the Capital Improvement Program. The City is anticipating starting the design of the Water Main Replacement Project at the same time with the second phase of the Sewer Rehabilitation Project. AAE intends to utilize its resources and start the design of both Projects (Water Main Replacement and Sewer Rehabilitation) as indicated on the targeted schedule within the proposal.

The proposed project area is a residential community near the beach which also attracts a lot of tourists during certain times of the year. The walkways to the beach as shown in the photographs are being used by residents, pedestrians and cyclists.

The general area between Sepulveda Boulevard and the beach is considered as the "Sand Dunes." The majority of the homes and businesses are built on sand. The structures are stabilized from significant settling using stilts and other methods. The roadways and streets are narrow and some of the water lines are within walk streets. It is also noted that the various underground and other utilities are within the roadways, alleys, sidewalks, and closed off narrow streets converted



into walkways. There is Chevron Refinery north of the area that may have oil pipelines routed through the area.

The challenge for replacement of the water lines will be the construction method to retain the sand and not impacting the surrounding structures. Sand may run into the trenching causing problems. The AAE team will follow the recommendations of geotechnical reports, including the shoring recommendations for trench work on its construction documents.

AAE is aware of special site conditions as segments of water main lines are under the private improvement on public right-of-way. In such cases, all proposed water main replacement will be within the walkway area of the said streets. Additionally, portions of the Water Replacement Project, which has overlap with the Sewer Replacement Project, will be designed to provide clear distance between them as needed. Also, the whole PCC pavement of the walkway will be recommended for replacement.

During the land survey and the engineer's field visit, all water meter locations will be identified for replacement of the service lines. The recommendations will be based on the surface improvement features and feasibility of replacement of such items and instruction of the City's Engineering and Maintenance Divisions.

On January 17, 2011 staff from AAE conducted site visits at each of the four (4) locations listed in the City's RFP to take photos, make notes, and become more knowledgeable about the surroundings of the subject water lines.

In all, there are four (4) segments requiring replacement totaling 3,260 feet, of which about 900 feet overlap with the Sewer Replacement Project. Although the RFP provided pictures of the locations, we thought it may be beneficial to take additional ones to get a physical feel of the project features. In general, the field visit results are summarized per pipeline replacement location with explanation of site conditions on each picture.

1. Highland Avenue (from 6th Street to 10th Street) – The water main is located within street pavement and close to east side street curb. The water meters are generally either on sidewalk or within private driveway or walkway in front of the buildings. Traffic control and access to residential driveways and garages are challenges during construction. The proposed water main can be installed on the existing alignment or an alternative parallel alignment (if space is available through comprehensive utility search).



Locations of water meters.



Water valves at Highland Ave. & 7th St. intersection.

2. 7th Street

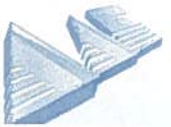
- a. From Ocean Drive to Highland Avenue – The existing water main is under private improvement on public right-of-way on the north side of the walk street. The replacement alignment will be within the concrete walk area of 7th Street.



The water valve represents the alignment of the existing water main.

Proposed water main alignment to be within PCC walk street.





Locations of existing water meters.



Existing water main location is marked 5 feet inside the private improvements on public right-of-way.

- b. From Highland Avenue to Valley Drive – The longer segment of this existing water main is located 5 feet from the edge of the private improvement on PCC walk street (on north side). The new alignment can be in the existing alignment or somewhere else within the PCC walk street.



Portion of 7th St. (not on walk street) water main trench location and surface failure.



Marked existing water line and gas line (trench surface pavement).

Water meter location and service line trench failure at main.



Locations of water meters on private improvement on public right-of-way.

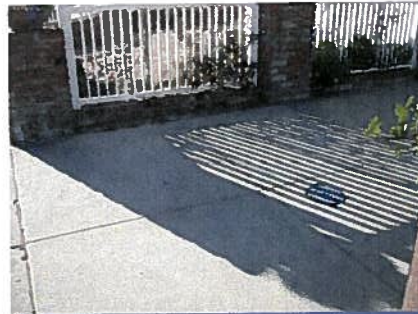


3. 6th Street (from Ocean Drive to Highland Avenue) – The whole stretch was built under the private improvement on public right-of-way. New alignment will be within PCC walk street.



Alignment of existing water main.

Water valve within private improvement.



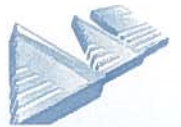


Locations of water meters within private improvement.

4. Morningside Drive (from 3rd Street to 2nd Street) – The existing water main is within street pavement. The proposed alignment can be at the existing location or within the street pavement should the space be available.

Location of water valve and water main alignment.



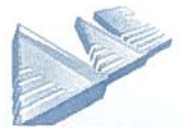


Water main alignment and replaced trench surface pavement.



Locations of water meters.

Should the City want to replace the existing water services and/or water meters and boxes, different method of construction would be recommended per each specific case. Trenching, tunneling and pipe pulling are among practical approaches.



WORK PLAN

AAE's approach to project management and production is based on a strong commitment to total quality assurance. The design approach follows a proven path of work elements and tasks ensuring a successful project. Working directly with the City's Project Manager, AAE's Project Manager, Yadi Farhadi, P.E. will lead the design team. Upon issuance of the Notice to Proceed, Mr. Farhadi will review the requirements, prepare a work plan and make team assignments for maximum efficiency of resources. Mr. Farhadi will assume the role of coordinator and will develop a project management plan for the Project for AAE's staff and for AAE's survey subconsultants. The plan will include the development of a comprehensive management and control system, which will ensure that the project is completed on time and within budget. To ensure accurate monitoring and tracking of plans, revisions and progress, a document tracking and control system will be established.

Mr. Farhadi can be contacted as noted below.

Mr. Yadi Farhadi, P.E.
AAE, Inc.
1815 E. Heim Avenue
Suite 100
Orange, CA 92865
(714) 940-0100 phone
(714) 940-0700 fax
yfarhadi@aaeinc.com

AAE will serve as an extension to the City staff. This includes meeting with City project representatives regularly and remaining in constant communication with them to ensure successful and timely delivery of the project. Meetings, as necessary, will be conducted for which agenda notices will be distributed at least two working days before each meeting. Meeting minutes will be distributed within one week of the meeting identifying actions items assignment and due dates. The Bi-Weekly Project Status Reports will be provided identifying tasks completed and planned, issues to be resolved, project schedule update and project trends. These reports will serve as a primary tool in monitoring project progress and keeping the City's staff informed.

Quality Assurance and Quality Control (QA/QC) are top priority for AAE. To ensure the highest quality of the design, AAE will implement a comprehensive QA/QC program previously discussed in brief under that heading. This will assure constructability and compliance with the City of Manhattan Beach and other agency design requirements.

Progress review meetings will be held internally by AAE on a regular basis to update the project team on project development and critical tasks. Prior to releasing any document to the City and/or other agencies, an extensive review will be performed by both the Project Manager and the QA/QC Manager.

AAE intends to meet and/or communicate with City Staff, City Administration and Council, utility companies, and other agencies (as necessary) to coordinate the project design process.



SCOPE OF WORK

AAE engineering services for the subject project will be covering and complying with all items of the scope of services as was identified and itemized on pages 2, 3 and 4 of the RFP dated December 20, 2010. The scope of our services is explained in more detail and itemized under the following tasks.

TASK 1: PROJECT MANAGEMENT & MEETINGS

A. KICK-OFF MEETING

AAE will schedule with City Staff a kickoff meeting to initiate the project. At that meeting, coordination between AAE and the City will be discussed and the methods of communication decided upon. The City's goals and objectives will be reviewed. The City will identify the information on the existing water mains to be provided to AAE. AAE will present the proposed project schedule for the City's review and approval.

B. PROJECT PROGRESS MEETINGS

Subsequent progress meeting dates will be agreed upon. AAE will be responsible for preparing the agendas and minutes of each meeting. At these subsequent meetings, AAE will report on progress both in writing and orally. Also discussed at these meetings will be forthcoming activities and anticipated deliverables and City comments on AAE prepared documents previously submitted.

C. PROJECT SUBMITTAL REVIEW MEETINGS

AAE will conduct a Project Workshop on the project at the time of each submittal level of PS&E. These meetings are meant to be an excellent opportunity to communicate about design, recommendations and comments by City and other agencies, if any. Upon completion of the workshop, AAE will prepare a Summary Report on City comments and that of other stakeholders in electronic format to be distributed to the City and other concerned parties. Overall, up to three (3) meetings are considered for Items B & C.

D. BI-WEEKLY PROJECT PROGRESS AND STATUS REPORT

AAE will prepare a Bi-weekly Project and Progress Status Report per the City's approved format. Each Report will be identified by report number, report date, period covered, significant events, project progress, project issues, schedule updates, future activities and utility coordination updates.

E. PROJECT MANAGEMENT

AAE will provide comprehensive project management during the design phase of the project including items A, B, C & D above. Internal weekly meetings will be held with project team to review the project progress and resolve all technical issues of the project. Should there be any items to be discussed with the City staff, it will be identified to be reviewed in a meeting with the City staff. Project progress will also be monitored at these weekly meetings.

TASK 2: RECORDS RESEARCH AND COLLECTION

The AAE Team will conduct a comprehensive research to collect all available information, maps, drawings, As-Built plans and available data on the existing water system and of any previous hydraulic analysis and modeling including any recent Master Plan for the project area. All recorded maps for verification of property lines, utility and private improvement easement, and roadway centerline will be researched and collected as well.



TASK 3: UTILITY RESEARCH AND COORDINATION

AAE's staff will initiate the three (3) step notification process early in the design process to meet the City's targeted schedule. AAE is aware of the City's concerns about resolution of any and all possible conflicts impacting the project schedule. When AAE prepares the specifications there will be included a master contact list for all substructure/utility owner-operators.

After initiating the utility companies list through Underground USA, the City's available utility records, and creation of the project utility research log, the 3-step utility notices will be processed and will consist of the following:

First Utility Notice – Utility Information Request

The AAE Team will begin the Utility Coordination process of notifying the known utilities and other substructure owners in writing of the project and requesting their as-built plans for their facilities. AAE will request utility companies for location, size, etc., of their facilities within the project limits. This notice is forwarded concurrently with commencement of design.

Second Utility Notice – Prepare to Relocate Notice/Final Utility Notice Form

In the event utilities exist within the proposed project site, AAE will transmit notice and 75% completed plans to the affected utility agencies to confirm that their facilities have been shown correctly on the plan. Should relocations/adjustments be needed, the magnitude of the relocation, schedules and further coordination will be coordinated.

Third Utility Notice – Notice to Relocate

AAE will provide the utility company name, construction field representative name, and phone number for inclusion on the plans and in the specifications. Additionally all substructures/utilities will be located visually, by use of Underground Service Alert (USA) and City records and by contact with substructure/utility owners. All utilities will be delineated on the plans within the sphere of the project. Final set of plans will be attached to this utility notice and will be sent to all utility companies. Additionally, they will be notified to relocate/upgrade/rehabilitate their lines, if needed, prior to or during the construction period of this project.

Should there be any utility/substructure conflicts that cannot be resolved by design effort and communication means including meeting(s) and discussions will be held with the utility/substructure owners as to the resolution of the conflict. Prior to project bidding, transmit notice and approved project plans to affected utility agencies, as previously identified, requesting immediate relocation.

TASK 4: TOPOGRAPHICAL AND AERIAL SURVEYING

Upon receipt of the City's Notice to Proceed, the AAE Team Surveyor will begin field survey work to prepare the project base map with all street features and cultures. After the completion of the preliminary design and identification of known alternative alignments, all possible alignments will be surveyed, if needed. All local physical culture features will be surveyed for the preparation and design of the plans that will be needed for the construction of the new water mains in the existing paved streets. As a part of the surveying, the surface features of underground utilities and substructures such as water valves and water meters will be identified.



TASK 5: FIELD INSPECTION

Upon completion of land and aerial surveying and preparation of base map, the AAE team will carry out a thorough and detailed field inspection, including the private property improvements on the public Right-of-Way encroachment areas. Location of water valves, water meters, fire hydrants, and surface evidence of water line alignment will be field verified. Should the restoration work be needed for such areas, it will be designed and shown on the plans including needed transition measures between exiting private and the proposed public improvements.

TASK 6: PREPARE PLAN, SPECIFICATIONS, AND COST ESTIMATE

This task will include preparation of a complete set of plans, specifications, and cost estimate for the project, utilizing all applicable City and County Standards in addition to Standard Specifications and Plans for Public Works Construction. The following are the submittals during this project design phase.

A. PRELIMINARY DESIGN DRAWINGS AND COST ESTIMATE

After completion of the base map including the location of all existing utilities and determination of proposed pipeline size and alignment, a preliminary drawing will be prepared. Advantages and disadvantages of each alternative, if any, will be discussed in detail including conflict with existing utilities and related value engineering. Three (3) sets of plans will be delivered to the City. The AAE Team will review the preliminary design with City Staff prior to proceeding with more in-depth design of the project. Plans will be prepared with scale of 1" = 20' with no profile and double stack per sheet. It is estimated that there are six (6) sheets of drawings in total.

B. 75% PLANS, SPECIFICATIONS AND COST ESTIMATE

Once the preliminary design is approved by the city, AAE will proceed to prepare the 75% completed plans. These plans in their nature have more detail of the work and more precise information on project construction. Three (3) sets of the 75% submittal including plans, specifications and cost estimate will be available to City staff for review and making comments. A copy of these plans will also be sent to utility companies.

C. 100% PLANS, SPECIFICATIONS AND COST ESTIMATE (PS&E)

After receiving City's comments on 75% complete PS&E, AAE will proceed to prepare the 100% complete plans. These plans are almost ready for construction and include all construction plans, profiles, detail, notes, cross-sections, etc. These plans will be submitted to City for review and approval.

D. FINAL PLANS AND SPECIFICATIONS

Upon City's approval of 100% Plans and Specifications, the AAE team will print the final plans on 4 mil Mylar and sign and seal by the State of California Registered Civil Engineer as the Engineer of Record. In addition to the hard copy deliverables, AAE will submit a complete set of the construction drawings to the City in electronic format (PDF and CADD).

Specifications

AAE will prepare a comprehensive set of technical specifications using the format provided by the City. Bid items required by the plans or otherwise needed to accomplish project construction will be thoroughly described in the special provisions and included in the contractor's bid list. Technical provisions will contain adequate detail in coordination with the plans and will reference the appropriate standard specifications. Input for forms



required as a result of funding source will be provided for a complete contract document meeting city, state and federal regulations. Each item of work will be covered and a measurement and payment clause included. Included in the bid items will be construction area traffic control. Additional notes will be provided on plans and in the specifications about soil condition and work in the vicinity of private party improvement on public right-of-way. The City approved Geotechnical Investigation Reports will be included in the project Specifications.

Cost Estimate

AAE will prepare a construction cost estimate for verification of project budget and assistance during the bidding process. Measurement of units will be contained in the specifications with additional detail for lump sum items as necessary. Unit prices will be derived from current bid information on similar work within the area. Backup information will be submitted along with the estimate for City records and concurrence.

TASK 7: POTHOLING

Should it be determined that specific information on the physical location of any utility substructures is needed to verify design conflicts, AAE subcontractor will do potholing, as needed. AAE uses Doty Bros. of Norwalk to perform physical potholing services on a time and material cost basis once the need for the identification data is determined. AAE would prepare a plan of the potholing work and obtain the City approval to proceed. Doty Brothers would obtain all needed street excavation permits and prepare and submit to the City Traffic Control Plans, as needed. Per City's instruction in the RFP, an allowance of \$7,500 is considered for this item.

TASK 8: ENGINEERING SUPPORT SERVICES

The AAE Team will provide engineering support services for this project during bidding, construction, and post-construction phases per the following:

A. DURING BIDDING AND AWARD PHASE

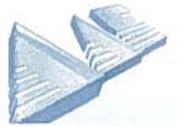
The AAE Engineering Team will provide response to bidding questions, assist the City in issuing Addenda, and provide engineering bid analysis for award purposes.

B. DURING CONSTRUCTION PHASE

The AAE Engineering Team will attend pre-construction meeting, review and approve contractor material submittal, review contract change order requests, provide consultation on field problems, and provide design alternatives for change conditions.

C. DURING POST-CONSTRUCTION

The AAE Team will provide CAD and engineering services for preparation of project record drawing (As-Builts).



RELEVANT PROJECT EXPERIENCE

Recent similar design projects prepared by AAE include the following:

City of Bell Gardens – Water Main Replacement Projects

AAE Project Manager: Yadi Farhadi, P.E.

AAE Project Engineer: Ken Putnam, P.E.

Client Contact: John Oropeza, Director of Public Works, 8327 Garfield Ave,

Bell Gardens, CA 90201

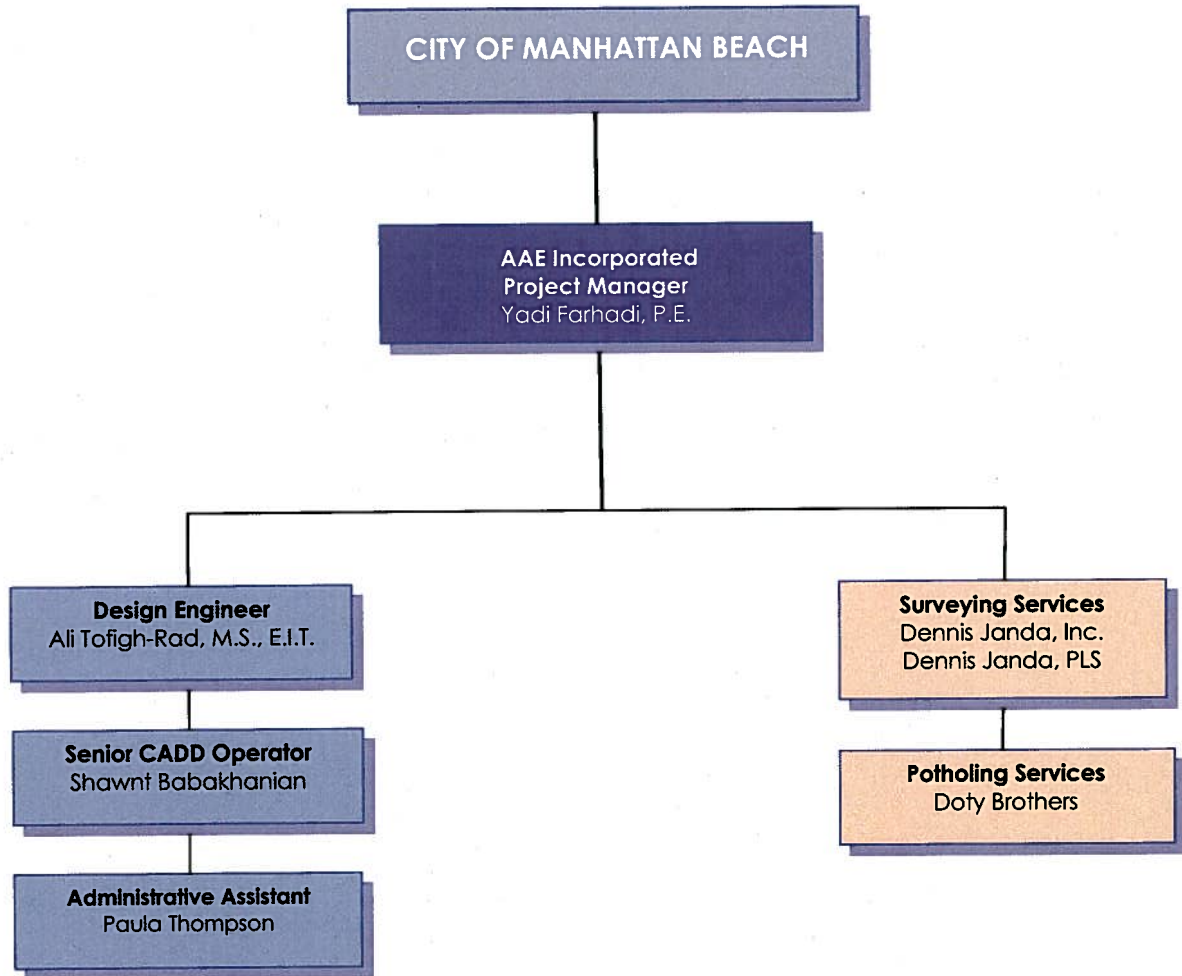
Telephone: (562) 806-7770

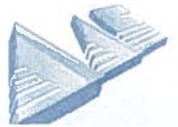
- **2006-2007 Replacement and Expansion of Water Lines**
Project Location: Toler Ave. & El Selinda Ave.
Project Budget: \$750,000
Project Length: 2,950 ft.
Services Provided: Design, Project Management, Construction Management, Inspection
- **2007-2008 Replacement of Water Mains**
Project Location: Alvina St./Loveland St./Ajax Ave.
Project Budget: \$500,000
Project Length: 1,600 ft.
Services Provided: Design, Project Management, Construction Management, Inspection
- **2008/2009 Water Main Replacement**
Project Location: Foster Bridge Blvd. & Loveland St.
Project Budget: \$600,000
Project Length: 3,400 ft.
Services Provided: Design, Project Management, Construction Management, Inspection
- **2009/2010 Water Main Improvement:**
Project Location: Foster Bridge Rd., Suva St., Emil Ave., Perry Rd., Florence Pl.
Project Budget: \$1,030,000
Project Length: 4,840 ft.
Services Provided: Design, Project Management, Construction Management, Inspection
(Currently in bid process.)



PROJECT STAFFING AND ORGANIZATION

As shown on the organization chart below, AAE has carefully selected the team members that have and will perform excellent quality work pertaining to Design, Surveying and other related services for the City.





AAE CAMEO RESUMES

EDUCATION:

B.S. in Civil
Engineering with
honors/1977, Pahlavi
University, Shiraz, Iran

REGISTRATION:

Civil Engineer,
California No. 50845

YADI FARHADI, P.E.
Director, Civil Engineering Department
Project Manager

Mr. Farhadi has over thirty-three (33) years of diverse civil engineering experience with both the public and private sectors. He is highly knowledgeable and experienced in the design and construction of public infrastructures especially water line replacement. Mr. Farhadi has served the City of Lynwood for fifteen (15) years in various capacities including but not limited to; Director of Public Works, City Engineer, Assistant Director of Public Works, Director of Facility Maintenance and CIP Manager. In his capacity at AAE, Mr. Farhadi leads the AAE Engineering Department to provide quality design services. He oversees and reviews the engineering activities including Engineering Design, Studies, Investigations and Plan Checks, Surveying and other related activities assigned to the Department. Experience directly related to this project includes: Citywide Main replacement and upgrade for the **City of Lynwood** Water System; new water system design for new 45 acre park/sports complex for the **City of San Clemente**; preparation of multiple year water main replacement and upgrade project for **City of Bell Gardens**.

EDUCATION:

M.S. in Systems and
Productivity
Management,
Industrial Engineering
B.S. Civil Engineering,
Azad University, Iran,
1998
EIT/FE Certificate

ALI TOFIGH-RAD, M.S., E.I.T.
Design Engineer

Ali is a Civil Design Engineer designing diversified projects in civil engineering related to Public Works, Development planning, and infrastructure improvement including construction scheduling, preparing bids, construction documents and technical specifications per Caltrans Standard Specifications and Standard Specifications for Public Works Construction.

AAE TEAM/SUB-CONSULTANT'S CAMEO RESUMES

Surveying – Dennis Janda, Inc. (Dennis Janda, PLS) – WBE

The principal is Dennis W. Janda, PLS. The firm was originally formed as Dennis Janda & Associates with his long term partner and wife, Tricia Janda in 1997. The firm incorporated in the year 2001 and has grown to a staff of 15 highly skilled personnel providing surveying services throughout Southern California. Mr. Janda offers 30 years of previous experience in the Land Surveying profession. As Project Manager, Mr. Janda is responsible for the scheduling, contract administration and final review of all surveying, mapping and staking projects performed by Dennis Janda, Inc. (DJI). DJI, surveying subconsultant, has been working with AAE for the last five (5) years and has completed land surveying and aerial photography of many projects for AAE.

Potholing – Doty Bros.

Should field potholing by physical methods be necessary, the AAE Team will use Doty Bros. of Norwalk, CA, a State licensed contractor that specializes in locating and installation of subsurface utilities and structures.



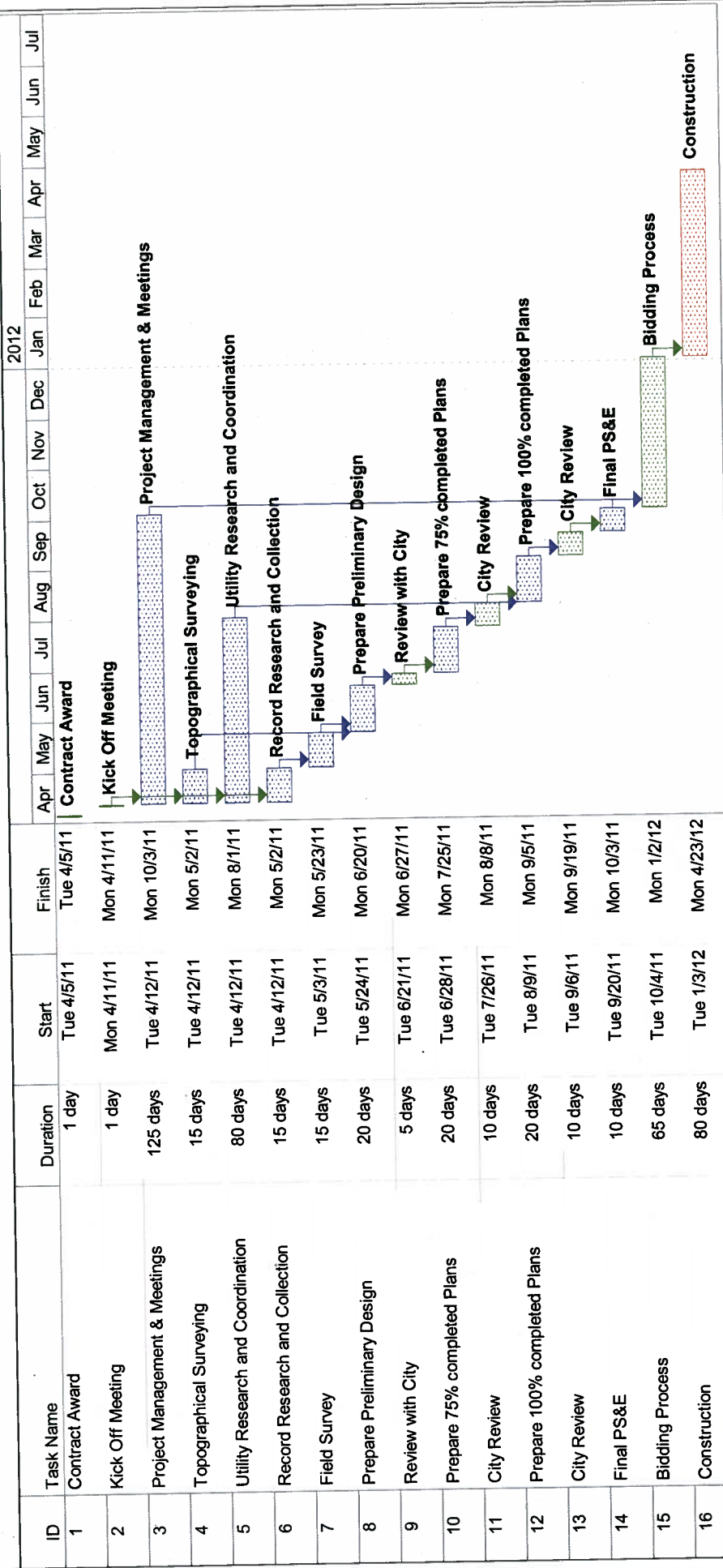
PROJECT SCHEDULE

AAE is aware of the targeted schedule for the project and we are committed to ensuring that projects are completed on schedule and within budget. However, we realize that schedules can be impacted by unexpected issues and occurrences. In these cases, AAE's policy is to commit the needed resources to the project to bring the project back on-schedule. Resources are allocated as needed without additional cost to the City. Attached is a targeted schedule to comply with the City's project timeline.

FEE SCHEDULE

AAE has prepared a Not-to-Exceed fee for the City's review, and it has been included as part of this proposal.

CITY OF MANHATTAN BEACH 2011-12 WATER MAIN REPLACEMENT PROJECT, PHASE 2



Legend:

- Task
- Milestone
- Summary
- Progress
- External Tasks
- External Milestone
- Deadline

Date: 2/28/2011

EXHIBIT "B"

**FEE PROPOSAL & HOURLY RATE SCHEDULE
for
2011-2012 WATER MAIN REPLACEMENT PROJECT
PHASE 2**

(AAE, Inc. FEE PROPOSAL)

Not to Exceed Fixed Fee Schedule
CITY OF MANHATTAN BEACH
ENGINEERING DESIGN SERVICES FOR
2011-12 WATER MAIN REPLACEMENT PROJECT, PHASE 2



Revised: 2/28/2011

TASK NO.	TASK DESCRIPTION	AAE TEAM							SUB-CONSULTANT				TOTAL FEE	
		Project Manager	Project Engineer	Design Engineer	AutoCAD	Admin. Staff	AAE Total	Surveying	Potholing	Sub-Consultant Total				
	Name:	Y. Farhad, PE	K. Putnam, PE	A. Tofigh-Red, MS, EIT	S. Babakhanian	P. Thompson								
	Billing Rate:	\$140	\$120	\$85	\$70	\$50								
1	PROJECT MANAGEMENT & MEETINGS	9		12										\$ 2,280
2	RECORD RESEARCH AND COLLECTION			8										\$ 680
3	UTILITY RESEARCH AND COORDINATION	2		12	4	4								\$ 1,780
4	TOPOGRAPHICAL LAND SURVEYING	2		6							4,600			\$ 5,390
5	FIELD INSPECTION	4		12										\$ 1,580
6	PREPARE PLANS, SPECIFICATIONS, AND COST ESTIMATE													\$ -
6.A	PREPARE PRELIMINARY DESIGN	8		46	24	3								\$ 6,860
6.B	PREPARE 75% PS&E	4		40	20	3								\$ 5,510
6.C	PREPARE 100% PS&E	4		16	8	2								\$ 2,580
6.D	FINAL PS&E	2		16	8	4								\$ 2,400
7	POTHOLING											7,500		\$ 7,500
8	ENGINEERING SUPPORT SERVICES		8	4										\$ 1,300
	TOTAL	35	8	172	64	16					4,600	7,500	12,100	\$ 37,860

Notes:
 1 - Geotechnical Services are not included in this proposal.
 2 - The potholing amount is only an allowance. Final amount will be based on T&M with City's prior approval.
 3 - Engineering support services is an estimated amount only. Final amount will be based on number of hours of services provided with City's prior approval.

**2010 HOURLY RATE SCHEDULE
AAE, Inc.**



INCORPORATED

Principal in Charge \$185

Civil Engineering

Project Manager \$140
Geo-Technical Engineer \$140
Senior Engineer \$120
Plan Checker \$95
Engineering Associate \$85
Engineering Assistant \$75
Engineering Technician \$70
CAD Manager \$100
CAD Operator \$70

Traffic Engineering

Principal Engineer \$140
Senior Traffic Engineer \$120
Traffic Engineer \$110
Plan Checker \$95
Engineering Associate \$90
Engineering Assistant \$75
Engineering Technician \$70
CAD Manager \$100
CAD Operator \$70
Transit Planner \$99

Surveying

Surveyor Party Chief \$175
Survey Crew - 2 person \$225
Survey Crew - 3 person \$275
Survey Analyst \$90
Plan Checker (Subdivision & Survey Document) \$95

Construction Management

Construction Manager \$120
Resident Engineer \$120
Scheduler/Controller \$95
Senior Inspector \$75
Inspector \$65
Technician \$55

Other Charges

Delivery \$65
Mileage \$0.60/Mile
Travel Cost + 15%
Reimbursements Cost + 15%

Interim City Manager \$185
Assistant/Deputy City Manager \$155

Program Management

Project Director \$145
Program Manager \$125
Program Supervisor \$105
Sr. Program Coordinator \$100
Program Coordinator \$85
Program Assistant \$66

Municipal Engineering Support

City Engineer \$125
City Traffic Engineer \$125
Deputy Engineer \$115
Dep. City Traffic Engineer \$115
Engineering Manager \$95
Plan Checker \$95

Public Relations

PR Project Principal \$140
PR Project Manager \$120
PR Coordinator \$80
PR Assistant \$65
Graphic Designer \$99
Market Research Coordinator \$85
Market Research Assistant \$65
Media Relations Manager \$135
Web Programming \$105
Illustration \$105

Building & Safety

Building Official \$155
Plan Check Engineer \$140
Senior Building Inspector \$89
Building Inspector \$75
Technician \$45

Clerical

Organizer/Supervisor \$63
Clerk Typist \$50

Additional billing classifications may be added to the above list throughout the year as new positions are created. The above schedule is for straight time. Overtime will be charged at 1.5 times. Sundays and holidays are charged at 2.0 times the standard time.

INSURANCE ENDORSEMENT FORMS

**for
2011-2012 WATER MAIN REPLACEMENT PROJECT
PHASE 2**

(Commercial General & Auto Liability Insurance)

CITY OF MANHATTAN BEACH
1400 HIGHLAND AVENUE
MANHATTAN BEACH, CALIFORNIA 90266
(310) 802-5300

INSURANCE ENDORSEMENT FORM #1
(GENERAL)

This endorsement is issued in consideration of the policy premium. Notwithstanding any inconsistent expression in the policy to which this endorsement is attached, or in any other endorsement now or hereafter attached thereto, or made a part thereof, the protection afforded by said policy shall include the following:

1. Additional Insured. With respect to such insurance as is afforded by this policy, the City of Manhattan Beach and its officers, employees, elected officials, volunteers, and members of boards and commissions shall be named as additional insured. This additional insured coverage only applies with respect to liability of the named insured or other parties acting on their behalf arising out of the activities of the undertaking specified in paragraph No. 5 below (Indemnification Clause).
2. Cross Liability Clause. The insurance afforded applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the company's liability.
3. Occurrence Based Policy. This policy shall be an "occurrence based policy."
4. Primary Insurance. For the risks covered by this endorsement this insurance shall provide primary insurance to the City to the exclusion of any other insurance or self-insurance program the City may carry with respect to claims and injuries arising out of activities of the Contractor or otherwise insured hereunder.
5. Indemnification Clause. The underwriters acknowledge that the named insured shall indemnify and save harmless the City of Manhattan Beach against any and all claims resulting from the wrongful or negligent acts or omissions of the named insured or other parties acting on their behalf in the undertaking specified as (list activity location and date(s) of event to include set-up and cleanup dates):

Professional Design Services as Necessary

6. Investigation and Defense Costs. Said hold harmless assumption on the part of the named insured shall include all reasonable costs necessary to defend a lawsuit including attorney fees, investigators, filing fees, transcripts, court reporters, and other reasonable costs of investigation and defense.
7. Reporting Provisions. Any failure to comply with the reporting provisions of the policy shall not affect coverage provided to the City.
8. Cancellation. This policy shall not be cancelled except by written notice to the Risk Manager at: City of Manhattan Beach, 1400 Highland Avenue, Manhattan Beach, CA, 90266, at least thirty (30) days prior to the date of such cancellation.
9. Limits of Liability. This policy shall provide minimum limits of liability of \$ 1,000,000.00, combined single limit coverage against any injury, death, loss or damage as a result of wrongful or negligent acts or omissions by the named insured.

INSURANCE ENDORSEMENT FORM #1
(GENERAL)
(Continued)

10. Comprehensive Coverage. This policy shall afford coverage at least as broad as Commercial General Liability "Occurrences" Form CG0001 and shall include the following:

A. General Liability

- (1) Comprehensive Form
- (2) Premises/Operations
- (3) Independent Contractors Liability
- (4) Broad Form Property Damage
- (5) Personal Injury
- (6) Products, Completed Operations
- (7) Contractual
- (8) Explosions, collapse, or underground property damage.

NOTE: If this is a Homeowner's Policy in lieu of Commercial General Liability, it shall afford coverage at least as broad as Homeowners ISO Form HO II (Ed 9-70) California and shall include comprehensive personal liability.

This policy shall provide the dollar limit specified in paragraph 9 with the following additional coverage where boxes below are checked:

- 11. Host Liquor Liability
- 12. Liquor Law Liability
- 13. Other

The limits of liability as stated in this endorsement apply to the insurance afforded by this endorsement notwithstanding that the policy may have lower limits of liability elsewhere in the policy.

This endorsement is effective _____ at 12:01 a.m. and forms a part of Policy No. _____.

Named Insured

Name of Insurance Company

I, _____ (print/type name), warrant that I have authority to bind the above listed insurance company, and by my signature hereon do so bind this company.

By _____
Signature of Authorized Representative

Approved _____
City Risk Manager Date

PLEASE ATTACH CERTIFICATE OF INSURANCE
See Attached BLANKET ADDITIONAL INSURED Endorsement

CITY OF MANHATTAN BEACH
1400 HIGHLAND AVENUE
MANHATTAN BEACH, CALIFORNIA 90266
(310) 802-5300

INSURANCE ENDORSEMENT FORM #2
(AUTO)

This endorsement is issued in consideration of the policy premium. Notwithstanding any inconsistent expression in the policy to which this endorsement is attached, or in any other endorsement now or hereafter attached thereto, or made a part thereof, the protection afforded by said policy shall include the following:

1. Additional Insured. With respect to such insurance as is afforded by this policy, the City of Manhattan Beach and its officers, employees, elected officials, volunteers, and members of boards and commissions shall be named as additional insured. This additional insured coverage only applies with respect to liability of the named insured or other parties acting on their behalf arising out of the activities of the undertaking specified in paragraph No. 5 below (Indemnification Clause).
2. Cross Liability Clause. The insurance afforded applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the company's liability.
3. Occurrence Based Policy. This policy shall be an "occurrence based policy."
4. Primary Insurance. For the risks covered by this endorsement this insurance shall provide primary insurance to the City to the exclusion of any other insurance or self-insurance program the City may carry with respect to claims and injuries arising out of activities of the Contractor or otherwise insured hereunder.
5. Indemnification Clause. The underwriters acknowledge that the named insured shall indemnify and save harmless the City of Manhattan Beach against any and all claims resulting from the wrongful or negligent acts or omissions of the named insured or other parties acting on their behalf in the undertaking specified as (list activity location and date(s) of event to include set-up and cleanup dates):

Professional Design Services as Necessary

6. Investigation and Defense Costs. Said hold harmless assumption on the part of the named insured shall include all reasonable costs necessary to defend a lawsuit including attorney fees, investigators, filing fees, transcripts, court reporters, and other reasonable costs of investigation and defense.
7. Reporting Provisions. Any failure to comply with the reporting provisions of the policy shall not affect coverage provided to the City.
8. Cancellation. This policy shall not be cancelled except by written notice to the Risk Manager at: City of Manhattan Beach, 1400 Highland Avenue, Manhattan Beach, CA, 90266, at least thirty (30) days prior to the date of such cancellation.
9. Limits of Liability. This policy shall provide minimum limits of liability of \$1,000,000.00, combined single limit coverage against any injury, death, loss or damage as a result of wrongful or negligent acts or omissions by the named insured.

INSURANCE ENDORSEMENT FORM #2
(AUTO)
(CONTINUED)

10. Scope of Coverage. This policy shall afford coverage at least as broad as Insurance Services Office Form No. CA0001 (Ed 1/78), Code 1 ("any auto") and shall include the following:

A. Auto Liability

- (1) Any auto
- (2) All owned autos (Private Passengers)
- (3) All owned autos (other than Private Passengers)
- (4) Hired autos
- (5) Non-owned autos (for business purposes)
- (6) Other

The limits of liability as stated in this endorsement apply to the insurance afforded by this endorsement notwithstanding that the policy may have lower limits of liability elsewhere in the policy.

This endorsement is effective _____ at 12:01 a.m. and forms a part of Policy No. _____.

Named Insured

Name of Insurance Company

I, _____ (print/type name), warrant that I have authority to bind the above listed insurance company, and by my signature hereon do so bind this company.

By _____
Signature of Authorized Representative

Approved _____
City Risk Manager Date

PLEASE ATTACH CERTIFICATE OF INSURANCE

See Attached BLANKET ADDITIONAL INSURED Endorsement



March 3, 2011

Gilbert Gamboa, PE
City of Manhattan Beach
1400 Highland Ave
Manhattan Beach, CA 90266-4795

199 South Los Robles Ave.
Suite 540
Pasadena CA 91101

Tel: 626 844.3070
Fax: 626 844.3074
<http://dealeyrenton.com>

Re: AAE Incorporated
All Liability Policies

Dear Mr. Gamboa:

We are unable to submit the City of Manhattan Beach's Endorsement Forms. These forms have not been filed by the insurance carriers with the State of California. The State of California fines insurance companies for using "unfiled" forms, so insurance carriers do not allow us to use your form. In place of this form, I have attached an Acord Certificate and the carrier's endorsement forms.

I have also enclosed a certificate with the amended cancellation wording to serve as the 30 day notice of cancellation for the policy. Because Travelers is not equipped to notify third parties of cancellation, Dealey, Renton & Associates will provide this notice to the City of Manhattan Beach on behalf of AAE Incorporated.

Please do let me know if you need anything additional or if you have any questions.

Sincerely,

Marie G Swaney

Marie G. Swaney
Account Assistant for
Mary Le
Account Manager

MGS
Enclosure

CC: AAE Incorporated

Offices in
Oakland CA
Pasadena CA
Santa Ana CA

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
3/3/2011

PRODUCER
Dealey, Renton & Associates
199 S Los Robles Ave Ste 540
Pasadena, CA 91101
626 844-3070

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURED
A A E Incorporated
1815 E. Heim Ave.
Suite 100
Orange, CA 92865

INSURER A: Travelers Property Casualty Co of Ameri *AX*
INSURER B: American Automobile Ins. Co. *AXV*
INSURER C: ACE American Insurance Company *AXV*
INSURER D: Travelers Indemnity Co. of Connecticut *AX*
INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
D	GENERAL LIABILITY	6802860L055	7/25/2010	7/25/2011	EACH OCCURRENCE \$1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire) \$1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$10,000
	<input checked="" type="checkbox"/> Contractual Liab				PERSONAL & ADV INJURY \$1,000,000
	<input checked="" type="checkbox"/> XCU Included				GENERAL AGGREGATE \$2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:				PRODUCTS - COMP/OP AGG \$2,000,000
	<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC				
A	AUTOMOBILE LIABILITY	BA4588L98A	7/25/2010	7/25/2011	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS				PROPERTY DAMAGE (Per accident) \$
<input checked="" type="checkbox"/> NON-OWNED AUTOS					
<input checked="" type="checkbox"/> Insured owns no company vehicles					
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC \$
					AUTO ONLY: AGG \$
A	EXCESS LIABILITY	CUP6793Y117	7/25/2010	7/25/2011	EACH OCCURRENCE \$4,000,000
	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$4,000,000
	<input type="checkbox"/> DEDUCTIBLE				\$
	<input checked="" type="checkbox"/> RETENTION \$0				\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WZP80984839	8/1/2010	8/1/2011	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
					E.L. EACH ACCIDENT \$1,000,000
					E.L. DISEASE - EA EMPLOYEE \$1,000,000
					E.L. DISEASE - POLICY LIMIT \$1,000,000
C	OTHER Professional Liability	G23632299005	7/25/2010	7/25/2011	\$1,000,000 per claim
					\$1,000,000 annual aggr

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS
NOTE: Excess Liability is follow-form to underlying GL/AU/Employers Liability Policies.
RE: 2010-12 Water Main Replacement Proj Phase 2. *The City of Manhattan Beach and its officers, employees, elected officials, volunteers and members of boards and commissions are named as additional insureds as respects to general and hired/non-owned auto liability for claims arising from the operations of the named insured as required by contract or agreement. NOTE: Primary & non-contributory wording and waivers of subrogation apply per policy endorsement forms attached.
See Attached...

CERTIFICATE HOLDER	ADDITIONAL INSURED; INSURER LETTER:	CANCELLATION 10 Day Notice for Non-Payment of Prem
City of Manhattan Beach* Attn: Gilbert Gamboa, PE 1400 Highland Avenue Manhattan Beach CA 90266-4795		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT.
		AUTHORIZED REPRESENTATIVE <i>Manhattan Beach</i>

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS / SPECIAL PROVISIONS

Blanket SEVERABILITY OF INTERESTS (Per CG 00 01 10 01) applies to GL: Separation of Insureds - Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or suit is brought.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED (ARCHITECTS, ENGINEERS AND SURVEYORS)

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

NAME OF PERSON(S) OR ORGANIZATION(S):

City of Manhattan Beach*
Attn: Gilbert Gamboa, PE
1400 Highland Avenue
Manhattan Beach CA 90266-4795

PROJECT/LOCATION OF COVERED OPERATIONS:

*The City of Manhattan Beach and its officers, employees, elected officials, volunteers and members of boards and commissions -- RE: 2010-12 Water Main Replacement Proj Phase 2

PROVISIONS

A. The following is added to WHO IS AN INSURED (Section II):

The person or organization shown in the Schedule above is an additional insured on this Coverage Part, but only with respect to liability for bodily injury, "property damage" or "personal injury caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- a. In the performance of your ongoing operations;
- b. In connection with premises owned by or rented to you; or
- c. In connection with your work and included within the "products-completed operations hazard."

Such person or organization does not qualify as an additional insured for "bodily injury", "property damage" or "personal injury" for which that person or organization has assumed liability in a contract or agreement.

The insurance provided to such additional insured is limited as follows:

- d. This insurance does not apply to the rendering of or failure to render any "professional services".
 - e. The limits of insurance afforded to the additional insured shall be the limits which you agreed in that "contract or agreement requiring insurance" to provide for that additional insured, or the limits shown in the Declarations for this Coverage Part, whichever are less. This endorsement does not increase the limits of insurance stated in the LIMITS OF INSURANCE (Section III) for this Coverage Part.
- B. The following is added to Paragraph a. of 4. Other Insurance in COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV):
However, if you specifically agree in a contract or agreement requiring insurance that, for the additional insured shown in the Schedule, the insurance provided to that additional insured under this

3/2/11

COMMERCIAL GENERAL LIABILITY

Coverage Part must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such additional insured which covers such additional insured as a named insured, and we will not share with the other insurance, provided that:

- (1) The "bodily injury" or "property damage" for which coverage is sought occurs; and
- (2) The "personal injury" for which coverage is sought arises out of an offense committed;

after you have entered into that "contract or agreement requiring insurance" for such additional insured. But this insurance still is excess over valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured when the additional insured is also an additional insured under any other insurance.

- C. The following is added to Paragraph 8. Transfer Of Rights Of Recovery Against Others To Us in COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV):

We waive any rights of recovery we may have against the additional insured shown in the Schedule above because of payments we make for "bodily injury", "property damage" or "personal

injury" arising out of "your work" on or for the project, or at the location, shown in the Schedule above, performed by you, or on your behalf, under a "contract or agreement requiring insurance" with that additional insured. We waive these rights only where you have agreed to do so as part of the "contract or agreement requiring insurance" with that additional insured entered into by you before, and in effect when, the "bodily injury" or "property damage" occurs, or the "personal injury" offense is committed.

- D. The following definition is added to DEFINITIONS (Section V):

"Contract or agreement requiring insurance" means that part of any contract or agreement under which you are required to include the person or organization shown in the Schedule as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs, and the "personal injury" is caused by an offense committed:

- a. After you have entered into that contract or agreement;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED


This endorsement modifies insurance provided under the following:

- BUSINESS AUTO COVERAGE FORM
- GARAGE COVERAGE FORM
- MOTOR CARRIER COVERAGE FORM
- TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: 3/3/2011	Countersigned By:
Named Insured: A A E Incorporated	 (Authorized Representative)

SCHEDULE

Name of Person(s) or Organization(s): *The City of Manhattan Beach and its officers, employees, elected officials, volunteers and members of boards and commissions -- RE: 2010-12 Water Main Replacement Proj Phase 2

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to the endorsement.)

Each person or organization shown in the Schedule is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in **Section II** of the Coverage Form.

Policy #: BA4588L98A

COMMERCIAL AUTO

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

BLANKET WAIVER OF SUBROGATION

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Paragraph **5. Transfer of Right Of Recovery Against Others To Us** of the CONDITIONS section is replaced by the following:

5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the extent

required of you by a written contract executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of the operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

**Workers' Compensation and Employers' Liability Insurance Policy
Waiver of Our Right to Recover From Others Endorsement - California
WC 04 03 06**

If the following information is not complete, refer to the appropriate Schedule attached to the policy.

Insured: A A E Incorporated

Policy Number WZP80984839

Producer: Dealey, Renton & Associates

Effective Date 3/3/2011

Schedule

Person or Organization

City of Manhattan Beach*
Attn: Gilbert Gamboa, PE
1400 Highland Avenue
Manhattan Beach CA 90266-4795

Job Description

*The City of Manhattan Beach and its officers, employees, elected officials, volunteers and members of boards and commissions -- RE: 2010-12 Water Main Replacement Proj Phase 2

Additional Premium %

We have the right to recover our payments from anyone liable for an injury- covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be the percentage, as shown in the Schedule applicable to this endorsement, of the California workers' compensation premium otherwise due on such remuneration.



Authorized Representative