

## AGREEMENT

THIS AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, 2013 by the CITY OF MANHATTAN BEACH, a municipal corporation, ("CITY"), and Cannon Corporation, a consultant, ("CONSULTANT").

## RECITALS

The following recitals are a substantive part of this Agreement:

1. City is desirous of obtaining services necessary to Provide design services for the FY 2013-14 Water Main Replacement Project.
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 upon completion of Scope of Services, unless earlier terminated 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.

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.

3. Compensation. CONSULTANT shall be compensated as follows:

3.1 Amount. Compensation under this Agreement shall not exceed ~~Ninety eight Thousand Eight Hundred Eighty eight Dollars (\$98,888)~~. ONE HUNDRED TWELVE THOUSAND SIX HUNDRED THIRTY THREE DOLLARS (\$112,633). E.K.

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 [as set forth in Exhibit "C"]. 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:

Cannon Corporation

1050 Southwood Drive

San Louis Obispo, CA 93401

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.

21.1. Indemnity for Design Professional Services.

CONSULTANT is considered a "design professional" as that term is defined in Civil Code Section 2782.8. In connection with its design professional services, CONSULTANT shall hold harmless and indemnify CITY, and its elected officials, officers, employees, servants, designated volunteers, and those CITY agents serving as independent Consultants in the role of CITY officials (collectively, "Indemnitees"), with respect to any and all claims, demands, damages, liabilities, losses, costs or expenses, including reimbursement of attorneys' fees and costs of defense (collectively, "Claims" hereinafter), including but not limited to Claims relating to death or injury to any person and injury to any property, which arise out of, pertain to, or relate to in whole or in part to the negligence, recklessness, or willful misconduct of CONSULTANT or any of its officers, employees, subcontractors, or agents in the performance of its design professional services under this Agreement.

21.2 Other Indemnities.

In connection with any and all claims, demands, damages, liabilities, losses, costs or expenses, including attorneys' fees and costs of defense (collectively, "Damages" hereinafter) not covered by Section 21.1, CONSULTANT shall defend, hold harmless and indemnify the Indemnitees with respect to any and all Damages, including but not limited to, Damages relating to death or injury to any person and injury to any property, which arise out of, pertain to, or relate to the acts or omissions of CONSULTANT or any of its officers, employees, subcontractors, or agents in connection with the performance of this Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. With respect such Claims, CONSULTANT shall defend CITY, with counsel of CITY's choice, at CONSULTANT's own cost, expense, and risk and shall pay and satisfy any judgment, award, or decree that may be rendered against CITY. CONSULTANT shall reimburse CITY for any and all legal expenses and costs actually incurred by each of them in connection therewith or in enforcing the indemnity herein provided. CONSULTANT's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by CONSULTANT or CITY. All duties of CONSULTANT under this Section shall survive termination of this Agreement.

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 is 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   
Larry Kraemer, Director of Public Infrastructure Division

By   
Bob Stets, Chief Financial Officer and Treasurer

CITY OF MANHATTAN BEACH

By \_\_\_\_\_  
David N. Carmany, City Manager

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

*J M Bauer*  
\_\_\_\_\_  
City Attorney

*[Signature]*  
\_\_\_\_\_  
Public Works Approval

Exhibit A  
Scope of Work



**Section I. Project Understanding**

The City of Manhattan Beach resolved to improve their existing water system infrastructure. The Water System Master Plan completed in October 2010 identified aging and undersized water mains that require replacement for 2013-2014 (see Table 1). In addition, the City planned to install six, new 2-inch blow off valves and one fire hydrant.

The City of Manhattan Beach serves its customers with two pressure zones; the Main Pressure Zone (HGL 295 feet - Low), and the Hill Area Pressure Zone (Closed System - High). To better understand the project, we calculated static pressures for each pipe segment, and estimated the number of connection details and the number of customers affected.

**Table 1 - Water Main Replacements: Size, Elevation , Static Pressure, Connection and Services**

WM No.	Main Location	Exst. Main Size (in)	Length (ft)	Begin	Elev. (ft)	Static Pres. (psi)	End	Elev. (ft)	Static Pres. (psi)	Slope	Proposed Main Size (in)	Pressure Zone	Estimate Connection Details	Approximate Service Connections
1	9th Street	4	580	Meadows Ave.	123	74	Rowell Ave	164	57	7.07%	6	Low	2	20
2	10th Street	4	580	Meadows Ave.	152	62	Rowell Ave.	166	56	2.41%	6	Low	2	20
3	11th Street	4	580	Meadows Ave.	162	58	Rowell Ave.	157	60	-0.86%	6	Low	2	20
4	Ronda Dr./Longfellow Dr	4	1,640	Kuhn Drive N	221	65	Kuhn Drive S.	217	66	-0.24%	6	High	2	24
5	Terraza Place	4	340	Ronda Drive	161	90	End	143	98	-5.29%	6	High	1	5
6	Chabela Drive	4	460	Keats Street	200	74	Longfellow Dr.	229	61	6.30%	6	High	2	12
7	Altura Way	4	460	Keats Street	190	78	Longfellow Dr.	216	67	5.65%	6	High	2	12
8	Shelley Street	4	540	Prospect Ave.	167	88	Chabela Drive	181	82	2.59%	6	High	2	18
9	5th Street	4	725	Rowell Ave.	161	58	Peck Ave.	143	66	-2.48%	6	Low	2	28
10	3rd Street	4	725	Rowell Ave.	164	57	Peck Ave.	152	62	-1.66%	6	Low	2	28
11	Redondo Ave.	6	2,600	2nd Street	125	74	Artesia Blvd	165	56	1.54%	6	Low	2	0
12	2nd Street	6	860	Redondo Ave	124	74	Aviation Blvd.	114	78	-1.16%	6	Low	8	30
Total Length = 10,090												Totals =	29	217

**Table 2 - 2' Blow-Off Installation**

BO No.	Facility	Address
13	Bell Sewage Pump Station	553 31st Street
14	Palm Sewage Pump Station	3529 Palm Avenue
15	Pacific Sewage Pump Station	2803 Pacific Avenue
16	Poinsettia Sewage Pump Station	1100 Poinsettia Avenue
17	Meadows Pump Station	1300 9th Street
18	Voorhess Pump Station	1360 Voorhes Avenue

**Table 3 - New Fire Hydrant Location**

FR No.	Location	Address
19	Northwest corner Sepulveda Blvd at 19th Street	South side of 2001 Sepulveda Blvd



## Section II. Approach and Scope of Services

Our approach to successfully complete this project is based on providing professional services in four progressive phases:

- Phase 1. Project Management, Meetings and Coordination
- Phase 2. Investigations and Preliminary Engineering Services
- Phase 3. Engineering Design Services
- Phase 4. Construction Phase Support Services

These phases are carefully sequenced to provide an efficient schedule while remaining realistic and achievable. The general tasks and detailed task descriptions associated with this project are described below.

### Phase 1 – Project Management, Meetings and Coordination

#### Task 1.1 – Project Management

The project requires project setup, scheduling, controlling, and correspondence between the City and utility agencies. Correspondence includes telephone conversations, emails, project status reports, monthly status reports, project memorandums when necessary and detailed monthly invoices.

*Deliverables: Emails, Monthly Status Reports, Invoices*

#### Task 1.2 – Meetings

We will orchestrate and attend a project kick-off meeting with City personnel. This meeting agenda focuses on project understanding, team member involvement, project constraints, project progress, and the anticipated of design development impediments. This meeting also includes a project introduction, review of background information and project scope, and an overview of the project schedule. This meeting is a key opportunity for City representatives and the consultant team to steer and further clarify critical elements of the project. We will interview key personnel of the Design Department and the Operations and Maintenance(O&M) Department to fully understand the issues influencing the project and to establish water system preferences.

We will attend meetings for the 30%, 60% and 90% submittals. We assume the final submittal will not require a meeting. The final submittal will be coordinated with telephone correspondence and submitted electronically.

We will prepare meeting agendas, submit meeting minutes that document attendees, discussion points, conclusions, and action items.

*Deliverables: Agendas and Meeting Minutes*

### Phase 2 – Investigations and Preliminary Engineering Services

#### Task 2.1 – Utility Research – Data Collection and Document Review

We will coordinate with the City and utility companies to obtain pertinent operations data and record drawing information of all utilities within the project areas, including but not limited to water, sewer, storm drain, gas, electric and cable telephone. Each utility provider

will be contacted and informed of the project and requested to provide utility information. At the City's request a topographic survey similar in detail to the previous 2012-2013 Water Main Replacement Project will be prepared in parallel with Task 2.1. Information collected will be compiled, reviewed and included into the electronic **topographic survey base map**. It is assumed that all of the as-built/record data provided and obtained by the City and other utilities companies will be complete, accurate, and provided in a timely manner. We initiated a USA Dig Alert Utility Search and have included a copy of the existing utilities in Appendix A.

*Deliverables: USA Utility Research (Appendix A) and Utility Request and Response Letters*

Task 2.2 – Topographic Survey

In our effort to provide an accurate and detailed design, we will provide a topographic survey of the project site similar to the detail found in the aerial topographic survey used in the 2012-2013 Water Main Replacement Project. Data will be collected using conventional surveying equipment (Robotic Total Station). The topographic survey will include the following information:

- Horizontal locations based on the City of Manhattan Beach Coordinate Control datum.
- Elevations will be based on the City of Manhattan Beach Vertical datum. One foot contours.
- Existing roadway features between the right-of-way, including curb lines, edges of pavement, edges of sidewalks, curb returns, curb ramps, and driveways.
- Above ground structures.
- Existing signs.
- Traffic markings and striping.
- Existing surface improvements including fire hydrants located within or adjacent to the right-of-way; water system appurtenances; sanitary sewers and storm drain manholes, catch basins and inlets, surface elevations, inlet and invert elevations.
- Locations of trees that are four inches in diameter or greater, within or adjacent to the street right-of-way.
- Locations of USA utility markings within the project limits.
- Invert depths of sewer and storm drain manholes and catch basins.
- The survey work will be performed on a prevailing wages basis.

The survey work is based on prevailing wage.

Task 2.3 – Geotechnical Report

On previous water main replacement projects, Kling Consulting Group provided the City with the necessary geotechnical reports. We included **Converse Consultants** as our geotechnical consultant for they offer the City cost savings. Should the City prefer Kling we also have a proposal fee for their services.

In addition to providing a geotechnical investigation with at least two borings per site, the geotechnical report will include lab testing and construction recommendations. The City requested one boring every 500' at the following two project locations: Ronda Drive/Longfellow Drive and Redondo Avenue project locations, which are 1,640 and 2,600

feet long respectively. The City requested depth of all borings to be five feet. No borings have been requested nor included for the blow-off and fire hydrant locations.

The detailed scope of services of the geotechnical services for this project is detailed in Appendix B. Geotechnical work is based on prevailing wage as redirected by the City.

*Deliverable: Electronic Copy of the Geotechnical Report*

Task 2.4 – Site Reconnaissance and Detailed Utility Verification

Upon completion of the topographic survey base drawings, each project site will be visited to verify street widths, locations of utilities plotted from record data in the previous task. A baseline, which is typically the centerline of each street, will be used and measured by station and offset visible existing utilities (including valves, manholes, and existing USA Dig Alert markings), driveways and water service meter box locations. With the City's assistance, the surveyor will measure inverts of manholes. The terrain of each water main alignment has been determined and street slopes range from 1-7%. It is assumed the actual field locations and the existing utility locations as shown on as-built/record drawings are in agreement and will not require significant additional field survey efforts beyond what is originally budgeted for this proposal.

*Deliverables: None*

Task 2.5 – Prepare Preliminary (30%) Alignments

Based on the information gathered from the utility research, field verification of utilities, and discussions with City staff we will prepare the following 30% plans:

- Proposed preliminary water main alignments,
- Two-inch blow-off locations, and
- One fire hydrant location

Preliminary plans will be submitted with a Letter Design Report for City review and approval. Alignments will be based on maintaining proper clearances from sewers (between 10 feet and 4 feet) and other utilities (gas – 2 to 3 feet). We will select the best of two options of construction: 1) an offset and abandonment of the old water main, and 2) remove and replace the water main along the existing alignment.

*Deliverables: 3 Copies of Preliminary Plans (30%)  
Letter Design Report*

**Phase 3 - Engineering Design Services**

Task 3.1 – Public and Private Agency, Utility Coordination

Utility coordination will resume with the public and private agencies at the completion of the 60% plan submittal. Copies of the 90% plans will be submitted to each utility provider affected by project; comments received by each will be incorporated into the construction documents.

*Deliverable: Transmittals to Utility Providers*

Task 3.2 – Utility Verification and Potholing

Record data research of utility as-built information may fail to accurately identify both vertical and horizontal locations of subsurface facilities. Where detailed information is required to construct a tie-in connection or avoid crossing interferences and conflicts, potholing will be used to verify horizontal and vertical depths. The results will be incorporated into the construction documents. We were informed by the City that 20 potholes are required for the project. A no fee encroachment will be issued by the City. All traffic control will be installed per the WATCH manual.

*Deliverable: Proposed Pothole Location and Potholing Summary with Details*

Task 3.3 – Construction Plans (60% and 90% Submittals)

Based on the information completed in the previous tasks, we will design and prepare Construction Plans for approximately 10,090 feet of water main **including tie-in connections**, 2" blow-offs, and one fire hydrant installation. The plans will illustrate and specify the water main, type of material, sizes, restrained lengths, construction sequencing, and the quality required for the water main improvement construction.

In preparing this proposal, we assumed the plan views will be drafted at 1" = 20' scale, which result in the following sheet count:

- Cover Sheet
- General Notes, Construction Notes, Abbreviations, and Legend
- 9th and 10th Street - Plan and Details (1 Sheet)
- 11th Street - Plan and Miscellaneous Details (1 Sheet)
- Ronda Drive/Longfellow Drive - Plan and Details (1 Sheet)
- Ronda Drive/Longfellow Drive and Terraza Place - Plan and Details (1 Sheet)
- Chabela Drive and Altura Way Plan and Details – Plan and Details (1 Sheet)
- Shelley Street – Plan and Details (1 Sheet)
- 5th Street – Plan and Details (1 Sheet)
- 3rd Street – Plan and Details (1 Sheet)
- Redondo Avenue – Plan and Details (1 Sheet)
- Redondo Avenue – Plan and Details (1 Sheet)
- Redondo Avenue/1<sup>st</sup> Street – Plan and Details (1 Sheet)

Total Connection tie-in details disbursed through the plans (estimated 24 details)

- 2" Blow-off and Fire Hydrant Locations and Details (2 sheets)
- Standard details and sections for piping, valves and service connection and metering devices (estimated 3 sheets)

**Total sheet = 18 Sheets**

*Deliverable: Three Sets of Plans for the 90% Construction Plans*

Task 3.4 – Construction Specifications (90%)

Along with the 90% construction plan submittal, the technical specifications will be submitted, including the City's front end contract documents which will be tailored for the project.

*Deliverable: Three (3) Sets of Front End and Technical Specifications*

Task 3.5 – Opinion of Construction Cost (60%, 90% and Final)

During the preparation of the 60% and 90% submittal packages, we will prepare an Opinion of Construction Cost (OCC) for each portion of the project. The OCC will be tabularized in the same format as the construction document bid sheet. The OCC will be based on competitive contractor pricing for similar projects in size and location. We will use actual construction costs from recent projects.

*Deliverable: Electronic Copy of a 60%, 90% and Final Opinion of Construction Cost*

Task 3.6 – Final Construction Documents

One set of the Final Construction Documents will be provided to the City. One unbound bond copy of the front end and technical specifications will be stamped and signed by a registered engineer (California) and provided to the City. The plans and specification will be available electronically in PDF format and one copy of reverse read Mylar.

*Deliverable: One Mylar Copy of the Final Construction Plans  
One Unbound Bond Copy of the Front End and Technical Specifications*

**Phase 4 - Construction Phase Support Services**

Task 4.1 – As-Built / Record Drawings

At the end of the project we will prepare as-built/record drawings from the redline information provided by the Contractor and print the final plans on the reverse read Mylar. Each tie-in connection detail as submitted by the Contractor will be prepared on a separate sheet (8½" x 11") with the City's title block and will include available dimensions, depths, and the valve closure information.

*Deliverable: Relined original Mylar Set of Plans*

Task 4.2 – Construction Survey

After review of the RFP, and considering standard practices in the industry for water main construction, we recommend having the survey component completed by the Contractor. This is based on several factors, the greatest being that the alignment of the new pipes are a constant offset from the existing alignments and that the depth of the pipes will typically be constant. A licensed Contractor is qualified to layout the new line parallel with the existing water main or other street features at specified depth below the surface. We have allotted time to assist the Contractor if need be.

**Assumptions**

Listed here are assumptions made in preparing this proposal.

1. The City of Manhattan Beach will provide record drawings and all documents relating to existing facilities at each project site in .pdf electronic and hard copy format.
2. Word documents and construction plans are available in Word and .pdf format, respectively.

3. Traffic control plans will be prepared by others or will be the responsibility of the construction Contractor.
4. The Contractor shall be responsible for preparing and implementing a SWPPP and best management practices.
5. It is assumed the City will take the lead with processing Health Department Approvals; Cannon will support the City in these efforts.



### Section III. Cost Estimate and Project Schedule

#### Cost Estimate

A detailed breakdown of our proposed fee estimate, including person-hours, rates, and costs, is included for your review. The fees quoted in this proposal will remain valid for 60 days from this submittal date. Reimbursables are included. Items not specifically identified in the Scope of Services are excluded from our work and will be submitted separately to the City for review and approval.

Phase 1 – Project Management, Meetings, and Coordination	\$6,240
Phase 2 – Preliminary Engineering Design Services	\$51,965
Phase 3 – Engineering Design Services	\$48,048
Phase 4 – Construction Phase Support	\$6,180
Reimbursables	\$200
<b>Total</b>	<b>\$112,633</b>

#### Project Schedule

We are committed to meeting project schedules and deliverable deadlines. The attached schedule is based on careful evaluation of the project, its objectives and scope, and the logical sequencing needed to adequately complete the project.

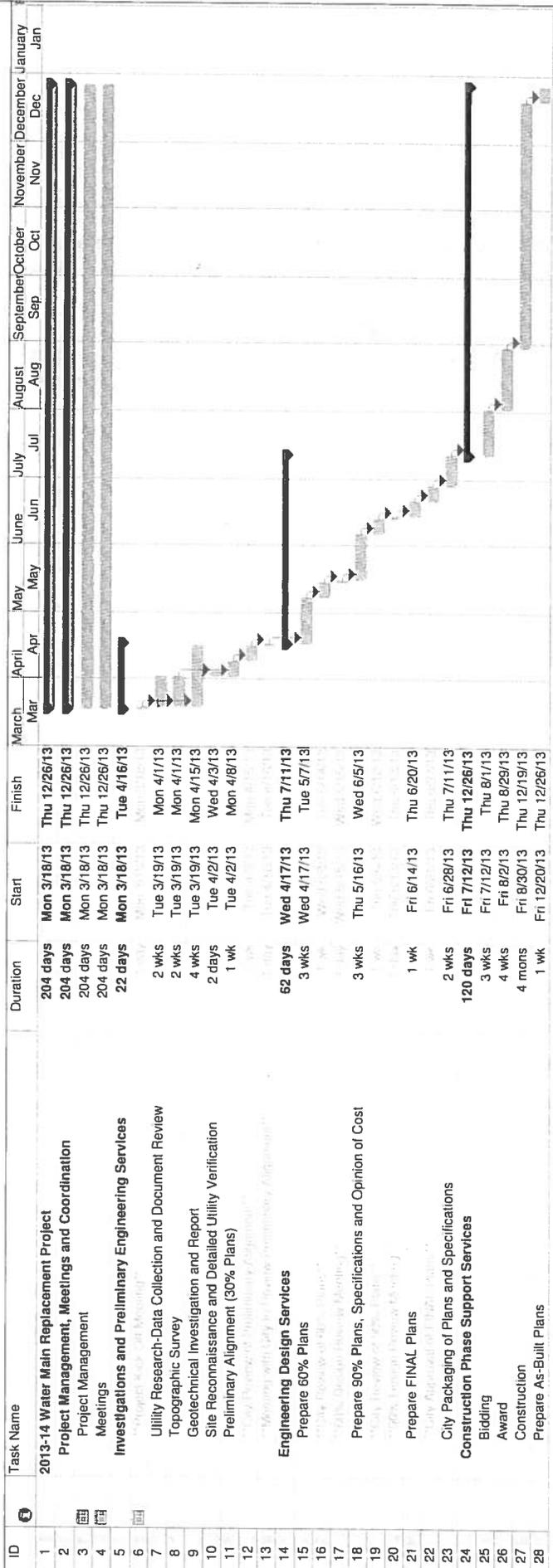
Every effort has been made to propose a realistic schedule that allows appropriate timeframes. In preparing this submittal, we included one week review periods for each submittal.

**Exhibit B**  
**Compensation**





**Project Schedule for  
2013-14 Water Main Replacement  
Manhattan Beach, CA**



Task Legend:

- Task
- Split
- Milestone
- Summary
- Project Summary
- External Tasks
- External Milestone
- Inactive Task
- Inactive Milestone
- Inactive Summary
- Manual Task
- Duration-only
- Manual Summary Rollup
- Manual Summary
- Start-only
- Finish-only
- Progress
- Deadline

Project: Project1  
Date: Fri 1/25/13

2013-14\_Schedule\_Water Main Replacement Project Page 1



**Section IV. Agreement for Professional Services**

Cannon is agreeable to the City's Professional Services Agreement for Design Services; however we would like to note the following revisions made in blue:

Paragraph 7.1 Commencement of Work

...All insurance policies other than Workers' Compensation Insurance maintained through the California State Fund used to satisfy the requirements imposed...

Appendix A: USA Dig Alert Utility Search

Design Lookup on 01/16/12 10:20 AM  
County: LOS ANGELES Place: MANHATTAN BEACH  
Gids: 0732F06 0732G06 0732H06

LACOTS  
LA COUNTY PUBLIC WORKS - ROAD DEPT  
GEORGE ELLIS  
900 S FREMONT AVE  
ALHAMBRA, CA 91803  
(626)456-1700

LAF54  
LA CO PUB WORKS-FLOOD MAINTENANCE  
AREA ENGINEER IMPERIAL YARD  
5525 E IMPERIAL HWY  
SOUTH GATE, CA 90260  
(562)961-0316  
MSLANC09DEK.LACOUNTY.GOV

LDFWSSO  
LA COUNTY DEPT PUB WORKS - SOUTH  
HU YI  
900 S FREMONT AVE  
ALHAMBRA, CA 91803  
(626)300-3274  
HYI@DPW.LACOUNTY.GOV

MANCIDIST  
CITY OF MANHATTAN BEACH  
DANA GREENWOOD  
1400 HIGHLAND AVE  
MANHATTAN BEACH, CA 90266  
(310)302-5352  
dgreenwood@citymb.info

NEXEGLAVEN  
NEXTS NETWORKS INC - LA & VEN  
DELFIN GUERSON  
2216 O'TOOLE AVE  
SAN JOSE, CA 95131  
(408)954-1566  
dguerson@nextsnetworks.net

SOB32F  
SO GAR - 182ND ST  
ERIL JENKS  
701 N BULLIS RD  
OCEMETON, CA 90221  
(310)697-0023  
ejjenks@semptrautilities.com

USCE19  
UTILIQUEST FOR CENTURY CABLE  
CESAR TORRES  
1525 VALLEY DR  
HERMOSA BEACH, CA 90254  
(310)371-7469

USCE44  
UTILIQUEST FOR SBC FIRST - SOUTH BAY  
KIM GURULE  
  
(714)796-9992

USCE229F3  
UTILIQUEST FOR SC EDISON-TELECOM  
TOMMY SAVAGE  
501 S MARENCO AVE  
ALHAMBRA, CA 91802  
(626)306-6196

UVES1AMCN  
UTILIQUEST FOR VERIZON - SANTA MONICA  
RON KELLOGG  
1909 EXPOSITION BL  
SANTA MONICA, CA 90404  
(310)264-5123

WEMKD  
WEST BASIN MUNICIPAL WATER DISTRICT  
WYATT WONG  
17140 S AVALON BL #210  
CARSON, CA 907461019  
(310)660-6203

Design Lookup on 01/16/12 10:20 AM  
County: LOS ANGELES Place: MANHATTAN BEACH  
Grids: 0732F06 0732G06 0732H06

LACOTS  
LA COUNTY PUBLIC WORKS - ROAD DEPT  
GEORGE ELLIS  
900 S FREMONT AVE  
ALHAMBRA, CA 91803  
(626)456-1700

LAP54  
LA CO PUB WORKS-FLOOD MAINTENANCE  
AREA ENGINEER IMPERIAL YARD  
5525 E IMPERIAL HWY  
SOUTH GATE, CA 90260  
(562)561-0316  
MBLANCO@DPW.LACOUNTY.GOV

LDFWSSO  
LA COUNTY DEPT PUB WORKS - SOUTH  
HU YI  
900 S FREMONT AVE  
ALHAMBRA, CA 91803  
(626)300-3374  
HYI@DPW.LACOUNTY.GOV

MANGLDST  
CITY OF MANHATTAN BEACH  
DANA GREENWOOD  
1400 HIGHLAND AVE  
MANHATTAN BEACH, CA 90266  
(310)302-5352  
dgreenwood@citymb.info

NEXTSLAVEN  
NEXTS NETWORKS INC - LA & VEN  
DELFIN GUERION  
2216 O'TOOLE AVE  
SAN JOSE, CA 95131  
(408)854-1590  
dguerion@nextsnetworks.net

SCG92F  
ST GAS - 182ND ST  
PHIL JENKS  
701 N BULLIS RD  
COMSTON, CA 90221  
(310)637-2003  
pjenks@semptrautilities.com

UC0299  
UTILIQUEST FOR CENTURY CABLE  
CESAR TORRES  
1529 VALLEY DR  
HERMOSA BEACH, CA 90254  
(310)371-7469

US0E44  
UTILIQUEST FOR SCE DIST - SOUTH BAY  
KIM GURULE  
  
(714)796-5922

US0E938F8  
UTILIQUEST FOR ST EDISON-TELECOM  
TONY SAVAGE  
501 S MARENCO AVE  
ALHAMBRA, CA 91812  
(626)308-6166

UV6STAMCN  
UTILIQUEST FOR VERISON - SANTA MONICA  
RON KELLOGG  
2909 EXPOSITION BL  
SANTA MONICA, CA 90404  
(310)264-5123

WEMWI  
WEST BASIN MUNICIPAL WATER DISTRICT  
WYATT WCN  
17140 S AVALON BL #110  
CARSON, CA 907461216  
(310)660-6203

Design Lookup on 01/16/13 10:20 AM  
County: LOS ANGELES Place: MANHATTAN BEACH  
Grids: 0732F06 0732G06 0732H06

LACOTS  
LA COUNTY PUBLIC WORKS - ROAD DEPT  
GEORGE ELLIS  
900 S FREMONT AVE  
ALHAMBRA, CA 91803  
(626)458-1700

LAF54  
LA CO PUB WORKS-FLOOD MAINTENANCE  
AREA ENGINEER IMPERIAL VALD  
5525 E IMPERIAL HWY  
SOUTH GATE, CA 90280  
(562)361-0316  
MSLANCO@DPW.LACOUNTY.GOV

LCDFWSSC  
LA COUNTY DEPT PUB WORKS - SOUTH  
HW YI  
900 S FREMONT AVE  
ALHAMBRA, CA 91803  
(626)300-3274  
HYI@DPW.LACOUNTY.GOV

MAN01D1ST  
CITY OF MANHATTAN BEACH  
DANA GREENWOOD  
1400 HIGHLAND AVE  
MANHATTAN BEACH, CA 90266  
(310)302-5352  
dgreenwood@citymb.info

NEXTGLAVEN  
NEXTG NETWORKS INC - LA & VEN  
DELFIN GUERSON  
2216 O'DOOLE AVE  
SAN JOSE, CA 95131  
(408)854-1520  
dguerson@nextgnetworks.net

SCG32F  
SC GAS - 132ND ST  
PHIL JENKS  
701 N BULLIS RD  
COMPTON, CA 90221  
(310)297-2023  
pjjenks@semprautilities.com

UD0789  
UTILIQUEST FOR CENTURY CABLE  
CESAR TOPRES  
1528 VALLEY DR  
HERMOSA BEACH, CA 90254  
(310)371-7469

USCE44  
UTILIQUEST FOR SCE DIST - SOUTH BAY  
KIM GURVIE  
  
(714)796-9932

USDE9387E  
UTILIQUEST FOR ST EDISON-TELECOM  
TOMMY SAVAGE  
501 S MARENGO AVE  
ALHAMBRA, CA 91801  
(626)306-6186

UVES1AMON  
UTILIQUEST FOR VERIZON - SANTA MONICA  
RON KELLOGG  
2909 EXPOSITION BL  
SANTA MONICA, CA 90404  
(310)264-5123

WEMWD  
WEST BASIN MUNICIPAL WATER DISTRICT  
WHAFF MON  
17140 S AVALON BL #210  
CARSON, CA 907461216  
(310)660-6206

Appendix B: Scope of Work for Geotechnical Services

## **1.2 Office Locations**

We have four offices in Southern California. The locations are:

### **CORPORATE HEADQUARTERS**

Converse Consultants  
222 East Huntington Drive, Ste 211  
Monrovia, California 91016-3500  
(626) 930-1200 ☎ FAX (626) 930-1280

#### **Monrovia:**

222 East Huntington Drive, Ste 211  
Monrovia, CA 91016-3500  
(626) 930-1200 ☎ Fax (626) 930-1212

#### **Costa Mesa:**

185 East Paularino Avenue, Ste B  
Costa Mesa, CA 92626  
(714) 444-9660 ☎ Fax (714) 444-9640

#### **Redlands:**

10391 Corporate Drive  
Redlands, CA 92374  
(909) 796-0544 ☎ Fax (909) 796-7675

**Our Monrovia office will provide the management and staffing for your project.**

## **1.3 Project Description and Scope of work**

The project consists of design and construction of water mains replacement project for the undersized and/or deteriorated water mains within the City of Manhattan Beach, California. The pipeline alignments are listed in the following table:



	Street	From	To	Length (LF)	Exist Size	Proposed Size
1	9th Street	Meadows Avenue	Rowell Avenue	580	4"	6"
2	10th Street	Meadows Avenue	Rowell Avenue	580	4"	6"
3	11th Street	Meadows Avenue	Rowell Avenue	580	4"	6"
4	Rhonda Drive/Longfellow Drive	Kuhn Drive N.	Kuhn Drive S.	1640	4"	6"
5	Terraza Place	Rhonda Drive	End	340	4"	6"
6	Chabela Drive	Keats Street	Longfellow Drive	460	4"	6"
7	Allura Way	Keats Street	Longfellow Drive	460	4"	6"
8	Shelley Street	Prospect Avenue	Chabela Drive	540	4"	6"
9	5th Street	Rowell Avenue	Peck Avenue	725	4"	6"
10	3rd Street	Rowell Avenue	Peck Avenue	725	4"	6"
11	Redondo Avenue	2nd Street	Artesia Blvd.	2600	6"	6"
12	2nd Street	Redondo Avenue	Aviation Blvd.	860	6"	6"
	<b>Total</b>			<b>10,090</b>		

It is likely to be constructed in open cut and boring and jacking techniques. It is also our understanding that the pipe invert for the proposed pipeline will not be more than five (5) feet below the existing ground surface.

#### **OBJECTIVE OF OUR SCOPE OF WORK**

The general objectives of the concurrent geotechnical study phase will be to explore and evaluate soil conditions beneath the site relative to geotechnical feasibility, design and construction considerations. The study will also include evaluation of general seismicity conditions for the site vicinity, evaluate associated potential geologic hazards including consideration of faulting and liquefaction, determine seismic design parameters for the pipeline.

#### **SCOPE OF SERVICES**

Our proposed study will provide the necessary personnel, equipment, materials to explore the site, conduct laboratory testing, perform geotechnical analyses, and prepare geological, pipeline design, and construction recommendations for the proposed alignment.

Our study is for the pipeline only. Geotechnical studies for "Blow-off Installation" and "New Fire Hydrant" are not included in our scope of work. Our scope of work will include the following tasks:

#### **Task I: Project Set-up, Data Review and Permit Acquisition**

As part of the project set-up, staff personnel from our office will conduct the following:

- Review the available in house reports and the published geotechnical/geologic data applicable to the project. It is our understanding that available data within the existing site will be provided at no cost to us.
- Co-ordinate site access with your representative.
- Field reconnaissance to map the surface condition, including drainage, flood hazard, etc.



- Stake/mark the boring locations in the field such that drill rig access to all the locations is available.
- Notify underground Service Alert (USA) at least 48-hours prior to drilling to clear the boring location of any conflict with existing underground utilities.
- Apply permit(s) for field soil borings from City of Manhattan Beach. It is our assumption that no fee encroachment permit(s) will be required from City for our field exploration. Boring location maps will be submitted with application forms. No detail traffic control plans will be prepared.

**Task II: Subsurface Exploration**

The field exploration will consist of a subsurface exploration program consisting of drilling exploratory soil borings. The number of borings for each phase is listed as following:

	Street	From	To	Length (LF)	No. of Boring	Boring Depth (LF)
1	9th Street	Meadows Avenue	Rowell Avenue	580	2	5 & 5
2	10th Street	Meadows Avenue	Rowell Avenue	580	2	5 & 5
3	11th Street	Meadows Avenue	Rowell Avenue	580	2	5 & 5
4	Rhonda Drive/Longfellow Drive	Kuhn Drive N.	Kuhn Drive S.	1640	4	5, 5, 5 & 5
5	Terraza Place	Rhonda Drive	End	340	2	5 & 5
6	Chabela Drive	Keats Street	Longfellow Drive	460	2	5 & 5
7	Altura Way	Keats Street	Longfellow Drive	460	2	5 & 5
8	Shelley Street	Prospect Avenue	Chabela Drive	540	2	5 & 5
9	5th Street	Rowell Avenue	Peck Avenue	725	2	5 & 5
10	3rd Street	Rowell Avenue	Peck Avenue	725	2	5 & 5
11	Redondo Avenue	2nd Street	Artesia Blvd.	2600	5	5, 5, 5, 5 & 5
12	2nd Street	Redondo Avenue	Aviation Blvd.	860	2	5 & 5
	<b>Total</b>			<b>10,090</b>	<b>29</b>	<b>145</b>

The purpose of the borings will be to:

- Obtain subsurface information at the site.
- Obtain undisturbed and bulk samples of the various soil types for laboratory testing.

**The existence or non-existence of concrete under existing asphalt pavements is of particular concern. If refusal is reached during a boring effort, other means must be taken to identify the material that caused the refusal and the thickness of that material.**

Soils will be continuously logged and classified by the geologist/engineer in the field by visual examination in accordance with the Unified Soil Classification System.

Undisturbed ring samples of the subsurface materials will be obtained at five-foot intervals, at changes in soil profiles, or where unusual conditions are encountered. The relatively undisturbed



ring samples will be obtained using a Modified California Sampler (2.4 inches inside diameter and 3.0 inches outside diameter) lined with thin-walled sample rings. The sampler will be driven into the bottom of the borehole with successive drops of a 140-pound hammer falling 30 inches. The number of successive drops of the driving weight ("blows") required for one foot of penetration will be shown on the boring summary sheet in the "blow/6-inch" column. The soil will be retained in brass rings (2.4 inches in diameter and one inch in height). The central portion of the sample will be retained and carefully sealed in waterproof plastic containers for shipment to the laboratory. Bulk samples of representative soil types will be collected in plastic bags. Groundwater levels, where encountered in the borings, will be recorded. Traffic control will be conducted based on "WATCH" manual.

After completion of boring within existing paved area, boreholes will be backfilled with soil cuttings and/or patch with Asphalt concrete, if needed.

Standard Penetration Tests (SPTs) will be performed within some of the deeper borings. SPT data will be utilized in evaluating the liquefaction potential and providing design recommendations.

### **Task III: Laboratory Testing**

Soil samples obtained during exploratory drilling will be tested in our laboratory to evaluate their physical characteristics and engineering properties. Laboratory testing may include, but will not necessarily be limited to:

- Moisture-density of in-situ samples
- Expansion index
- Sand equivalent
- Ph, chloride, sulfate and minimum electrical resistivity
- Sieve Analysis or Atterberg limits
- Modified Proctor
- Direct Shear
- Consolidation/Collapse

### **Task IV: Engineering Analyses and Report**

Data obtained from the exploratory borings and the laboratory testing program will be evaluated. Engineering analyses will be performed to present design and seismic recommendations in a written report.

For all design values, indicate if they are allowable design values or ultimate values. This information is required to avoid use of double safety factors in the design. The report shall contain the following information:

- A description of the field and laboratory procedures used in the study
- Description of the thickness of the existing asphalt concrete and base materials.
- Description of the existing or non-existing of concrete under existing asphalt pavements.
- Description of the existing or non-existing of base, sub-base, cement treated base.



- A description of subsurface conditions and controlling engineering properties of the subsurface materials encountered, including a documentation of the borings and sampling locations, elevation, description of soil classification, consistency, thickness and geologic origin of materials, blow counts, field and laboratory testing results, and groundwater level
- Evaluation of the site engineering seismology and earthquake hazards
- Evaluation of the earth materials along the proposed pipeline alignment, including the type and extent of materials that may be encountered
- Evaluation of groundwater (if encountered) effects and the necessity for dewatering during construction
- Seismic coefficient for structure design in accordance with CBC 2010
- Liquefaction potential
- Suitability of excavated materials for use as fill, and trench backfill and bedding
- Compaction characteristics of soil types relative to their use as fill and backfill
- Design recommendations for shoring, including lateral earth pressures, backfill specifications, and drainage requirements
- Earthwork recommendations, including site preparation/excavation and fill requirements
- Evaluation of expansion/collapse potential of site soils
- Comments on excavation characteristics and stability of open trench excavation including evaluation of surcharge loads from construction equipment and impact of excavation on adjacent facilities
- Recommended coefficient of friction between pipe (plastic and metal) and on-site soil used as backfill and pipe bedding material;
- Recommended pipeline design parameters including average native soil unit weight used for backfill, angle of internal friction of soils, soil cohesion (psf), and coefficient of active, passive and at-rest earth pressure;
- Recommended pipe subgrade preparation, pipe bedding and trench zone backfill;
- Recommendations of pipe bedding, pipe zone backfill
- Recommendation regarding use of cobbles and boulders
- Pipeline design parameters
- Modules of soil reaction ( $E^1$ )
- Passing soil lateral bearing values for thrust blocks
- Settlement
- Earthwork recommendations for pipelines
- Site soil corrosivity



### **Task V: Project Management and Consultation**

During the course of our scope of services, the Converse project manager will maintain communication with the project team representative. He will be available to discuss our findings and recommendations.

### **Task VI: Review Specifications And Design Drawings**

Converse will provide review of project plans and specifications at the end of the 90% and final design phases.

**Please be advised that the following will not be included in our scope of work:**

- Recommended structural pavement sections
- Piezometric water surface elevations, number and frequency of observations
- Recommended Pipeline Coating
- Recommended Cathodic Protection Measures
- Stray current evaluation to determine the potential for stray current from other sources including other cathodically protected pipelines or structures, electric transit systems, and industrial sources such as metal processors and welding shops.
- Induced voltage potential from high voltage electrical power transmission lines shall be evaluated where the project is near power lines.
- Earth potential gradient tests

### **1.4 Project Experience**

Converse has provided geotechnical study, observation and materials testing/inspection services for various pipeline and reservoirs projects throughout Southern California. Detail description of similar projects are included in Appendix A.



Exhibit C

Time of Performance

Notice to Proceed:	March 18, 2013
Complete plans and Specifications:	March 18, 2013 to July 11, 2013
Construction Phase:	July 12, 2013 to Dec 26, 2013

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):
- 
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**

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):  

---

---
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.

INSURANCE ENDORSEMENT FORM #2  
(AUTO)  
(CONTINUED)

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.

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**



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

03/26/13

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Morris & Garritano Insurance Agency License #0305584 PO Drawer 1189 San Luis Obispo, CA 93406-1189	Phone: 805-543-6887 Fax: 805-543-3064	<b>CONTACT NAME:</b> Linda Bingaman <b>PHONE (A/C, No, Ext):</b> 805-543-6887 <b>FAX (A/C, No):</b> 805-543-3064 <b>E-MAIL ADDRESS:</b> lbingaman@morrisgarritano.com														
<b>INSURED</b> Cannon Corporation 1050 Southwood Drive San Luis Obispo, CA 93401		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Continental Casualty Company</td> <td>20443</td> </tr> <tr> <td>INSURER B : Transportation Insurance Co.</td> <td>20494</td> </tr> <tr> <td>INSURER C : Fireman's Fund</td> <td>21873</td> </tr> <tr> <td>INSURER D : Atlantic Specialty Insurance Co</td> <td></td> </tr> <tr> <td>INSURER E : State Comp Insurance Fund</td> <td>35076</td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Continental Casualty Company	20443	INSURER B : Transportation Insurance Co.	20494	INSURER C : Fireman's Fund	21873	INSURER D : Atlantic Specialty Insurance Co		INSURER E : State Comp Insurance Fund	35076	INSURER F :	
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INSURER F :																

## COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER: 1

THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b>			C2058094931	10/02/12	10/02/13	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY	<input checked="" type="checkbox"/>					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 5,000
	<input checked="" type="checkbox"/> Per Project Aggr.						PERSONAL & ADV INJURY \$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER						GENERAL AGGREGATE \$ 2,000,000
	<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$ 2,000,000
B	<b>AUTOMOBILE LIABILITY</b>			2058094976	10/02/12	10/02/13	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/>	<input type="checkbox"/>				BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				PROPERTY DAMAGE (Per accident) \$
							\$
C	<b>UMBRELLA LIAB</b>			SSE48636583	10/02/12	10/02/13	EACH OCCURRENCE \$ 9,000,000
	<input checked="" type="checkbox"/> EXCESS LIAB	<input checked="" type="checkbox"/>	<input type="checkbox"/>				AGGREGATE \$ 9,000,000
	<input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0						\$
E	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>			925422012	09/01/12	09/01/13	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH)		N/A				E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	<b>Professional Liab.</b>			DPL148112	05/09/12	05/09/13	Per Claim 2,000,000
	Claims Made			\$50,000 SIR PER CLAIM			Aggregate 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Re: 2013-14 Water Main Replacement Project #P130108  
 The City of Manhattan Beach, its officers, employees, elected officials, volunteers and members of boards and commissions are additional insured if required by written contract per forms attached:  
 GL AI: #G140331C 10/10 with Primary Non Contributory, (see page 2)

## CERTIFICATE HOLDER

## CANCELLATION

<b>CITYMAN</b>  City of Manhattan Beach 1400 Highland Ave Manhattan Beach, CA 90266	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
---	---

**NOTEPAD:**

HOLDER CODE CITYMAN  
INSURED'S NAME Cannon Corporation

CANNO-2  
OP ID: LB

PAGE 2  
DATE 03/26/13

Auto AI CA2048, Primary in CA0001 policy form. Separation of Insured included in General Liability and Auto Liability policy forms (copy attached) WC WOS #2570 attached. 30 day notice of cancellation endorsements General Liability #G56015B 11/91 attached. Auto 30 day notice ordered and will follow



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
**BLANKET ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS**  
**- WITH PRODUCTS-COMPLETED OPERATIONS COVERAGE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE (OPTIONAL)**

Name of Additional Insured Persons Or Organizations
(As required by "written contract" per Paragraph A. below.) City of Manhattan Beach, its officers, employees, elected officials, volunteers and members of boards and commissions

Locations of Covered Operations
(As per the "written contract," provided the location is within the "coverage territory" of this Coverage Part.) 2013-14 Water Main Replacement Project #P130108

- A. **Section II - Who Is An Insured** is amended to include as an additional insured:
  - 1. Any person or organization whom you are required by "written contract" to add as an additional insured on this Coverage Part; and
  - 2. The particular person or organization, if any, scheduled above.
- B. The insurance provided to the additional insured is limited as follows:
  - 1. The person or organization is an additional insured only with respect to liability for "bodily injury," "property damage," or "personal and advertising injury" caused in whole or in part by:
    - a. Your acts or omissions; or
    - b. The acts or omissions of those acting on your behalf in the performance of your ongoing operations specified in the "written contract"; or
    - c. "Your work" that is specified in the "written contract" but only for "bodily injury" or "property damage" included in the "products-completed operations hazard," and only if:
      - (1) The "written contract" requires you to provide the additional insured such coverage; and
      - (2) This Coverage Part provides such coverage.
  - 2. We will not provide the additional insured any broader coverage or any higher limit of insurance than the least that is:
    - a. Required by the "written contract";
    - b. Described in B.1. above; or
    - c. Afforded to you under this policy.
  - 3. This insurance is excess of all other insurance available to the additional insured whether on a primary, excess, contingent or any other basis. But if required by the "written contract," this insurance will be primary and non-contributory relative to insurance on which the additional insured is a Named Insured.
  - 4. The insurance provided to the additional insured does not apply to "bodily injury," "property damage," or "personal and advertising injury arising out of:
    - a. The rendering of, or the failure to render, any professional architectural, engineering, or surveying services, including:
      - (1) The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
      - (2) Supervisory, inspection, architectural or engineering activities; or
    - b. Any premises or work for which the additional insured is specifically listed as an

additional insured on another endorsement attached to this Coverage Part.

**C. SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended as follows:

1. The **Duties In The Event of Occurrence, Offense, Claim or Suit** condition is amended to add the following additional conditions applicable to the additional insured:

An additional insured under this endorsement will as soon as practicable:

- (1) Give us written notice of an "occurrence" or an offense which may result in a claim or "suit" under this insurance, and of any claim or "suit" that does result;
- (2) Except as provided in Paragraph B.3 of this endorsement, agree to make available any other insurance the additional insured has for a loss we cover under this Coverage Part;
- (3) Send us copies of all legal papers received, and otherwise cooperate with us in the investigation, defense, or settlement of the claim or "suit"; and
- (4) Tender the defense and indemnity of any claim or "suit" to any other insurer or self insurer whose policy or program applies to a loss we cover under this Coverage Part. But if the "written contract" requires this insurance to be primary and non-contributory, this provision (4) does not apply to insurance on which the additional insured is a Named Insured.

We have no duty to defend or indemnify an additional insured under this endorsement until we receive from the additional insured written notice of a claim or "suit."

2. With respect only to the insurance provided by this endorsement, the first sentence of Paragraph 4.a. of the Other Insurance Condition is deleted and replaced with the following:

**4. Other Insurance**

**a. Primary Insurance**

This insurance is primary and non-contributory except when rendered excess by endorsement G-140331-C, or when Paragraph b. below applies.

- D. Only for the purpose of the insurance provided by this endorsement, **SECTION V – DEFINITIONS** is amended to add the following definition:

"Written contract" means a written contract or written agreement that requires you to make a person or organization an additional insured on this Coverage Part, provided the contract or agreement:

1. Is currently in effect or becomes effective during the term of this policy; and
2. Was executed prior to:
  - a. The "bodily injury" or "property damage"; or
  - b. The offense that caused the "personal and advertising injury"

for which the additional insured seeks coverage under this Coverage Part.

**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:	Countersigned By:
Named Insured: Cannon Corporation	(Authorized Representative)

**SCHEDULE**

<p><b>Name of Person(s) or Organization(s):</b> Any person or organization for whom you are required to add as an additional insured on this policy under a written contract or agreement.</p>
--

(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.

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- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**6. Representations**

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

**7. 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.

**8. Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

**9. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**SECTION V – DEFINITIONS**

- 1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

- b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment."

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
- c. All other parts of the world if the injury or damage arises out of:
  - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
  - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
  - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

- 5. "Employee" includes a "leased worker." "Employee" does not include a "temporary worker."
- 6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
- 7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
- 8. "Impaired property" means tangible property, other than "your product" or "your work," that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

30020003120580948311950



## SECTION V – DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage."
- B. "Auto" means:
1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or
  2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.
- However, "auto" does not include "mobile equipment."
- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.
- D. "Covered pollution cost or expense" means any cost or expense arising out of:
1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
  2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants."

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured";
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured."

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar

"pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury," "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph 6.b. or 6.c. of the definition of "mobile equipment."

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss."
- F. "Employee" includes a "leased worker." "Employee" does not include a "temporary worker."

G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought

- H. "Insured contract" means:
1. A lease of premises;
  2. A sidetrack agreement;
  3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a



**POLICY NUMBER**  
C 2058094931

**INSURED NAME AND ADDRESS**  
CANNON CORPORATION  
Attn: Steve Tomasetti  
1050 SOUTHWOOD DRIVE  
SAN LUIS OBISPO, CA 93401

**POLICY CHANGES**

**ENDORSEMENT EFFECTIVE 3-4-13**

This Change Endorsement changes the Policy. Please read it carefully. This Change Endorsement is a part of your Policy and takes effect on the effective date of your Policy, unless another effective date is shown.

G-15115-A

(Ed. 10/89)

This form has been added to the policy:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.  
CHANGES - NOTICE OF CANCELLATION  
OR MATERIAL COVERAGE CHANGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

In the event of cancellation or material change that reduces or restricts the insurance afforded by this Coverage Part (other than the reduction of aggregate limits through payment of claims), we agree to mail prior written notice of cancellation or material change to:

SCHEDULE

1. Number of days advance notice: 30  
10 Days for Non-Payment of  
Premium
2. Name: CITY OF MANHATTAN BEACH
3. Address: 1400 HIGHLAND AVE  
MANHATTAN BEACH, CA 90266



*Thomas F. Motamed*  
Chairman of the Board

*Jonathan Kantor*  
Secretary



ENDORSEMENT AGREEMENT  
WAIVER OF SUBROGATION

REP C5  
092-12 000542  
RENEWAL  
SL  
4-22-28-74  
PAGE 1

HOME OFFICE  
SAN FRANCISCO

EFFECTIVE MARCH 4, 2013 AT 12.01 A.M.  
AND EXPIRING SEPTEMBER 1, 2013 AT 12.01 A.M.

ALL EFFECTIVE DATES ARE  
AT 12:01 AM PACIFIC  
STANDARD TIME OR THE  
TIME INDICATED AT  
PACIFIC STANDARD TIME

CANNON CORPORATION

1050 SOUTHWOOD DR  
SAN LUIS OBISPO, CA 93401

ANYTHING IN THIS POLICY TO THE CONTRARY NOTWITHSTANDING,  
IT IS AGREED THAT THE STATE COMPENSATION INSURANCE FUND  
WAIVES ANY RIGHT OF SUBROGATION AGAINST,

CITY OF MANHATTAN BEACH

WHICH MIGHT ARISE BY REASON OF ANY PAYMENT UNDER THIS  
POLICY IN CONNECTION WITH WORK PERFORMED BY,

CANNON CORPORATION

IT IS FURTHER AGREED THAT THE INSURED SHALL MAINTAIN  
PAYROLL RECORDS ACCURATELY SEGREGATING THE REMUNERATION  
OF EMPLOYEES WHILE ENGAGED IN WORK FOR THE ABOVE  
EMPLOYER.

IT IS FURTHER AGREED THAT PREMIUM ON THE EARNINGS OF SUCH  
EMPLOYEES SHALL BE INCREASED BY 03%.

NOTHING IN THIS ENDORSEMENT CONTAINED SHALL BE HELD TO VARY, ALTER, WAIVE  
OR EXTEND ANY OF THE TERMS, CONDITIONS, AGREEMENTS, OR LIMITATIONS OF THIS  
POLICY OTHER THAN AS STATED. NOTHING ELSEWHERE IN THIS POLICY SHALL BE  
HELD TO VARY, ALTER, WAIVE OR LIMIT THE TERMS, CONDITIONS, AGREEMENTS OR  
LIMITATIONS OF THIS ENDORSEMENT.

COUNTERSIGNED AND ISSUED AT SAN FRANCISCO:

MARCH 6, 2013

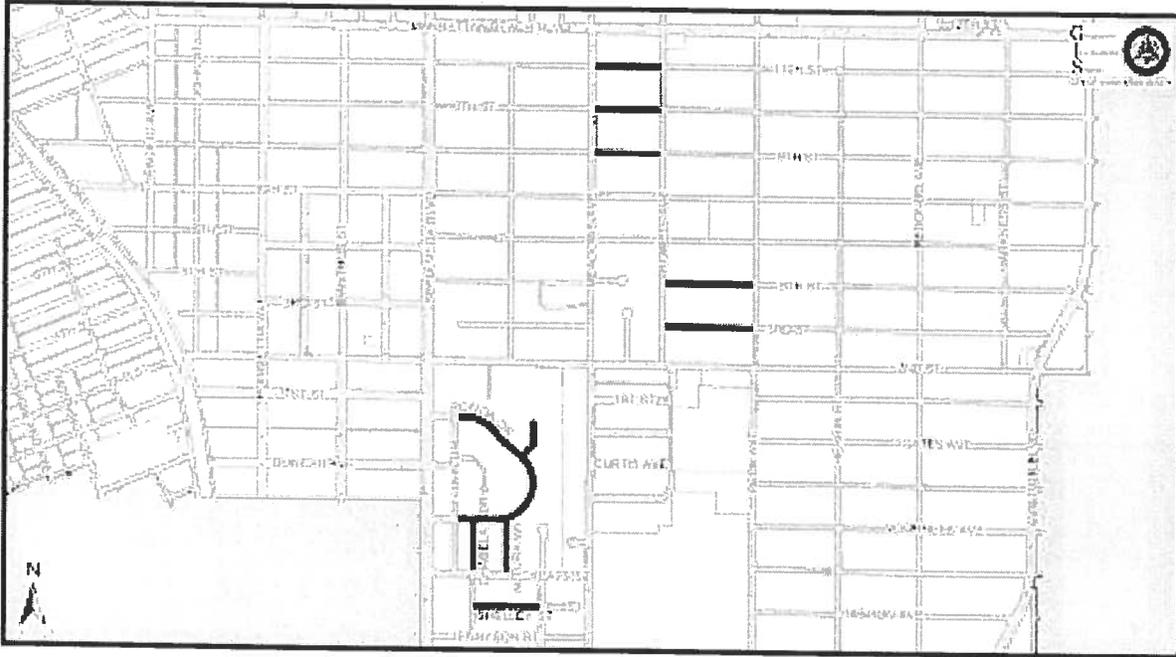
2570

AUTHORIZED REPRESENTATIVE

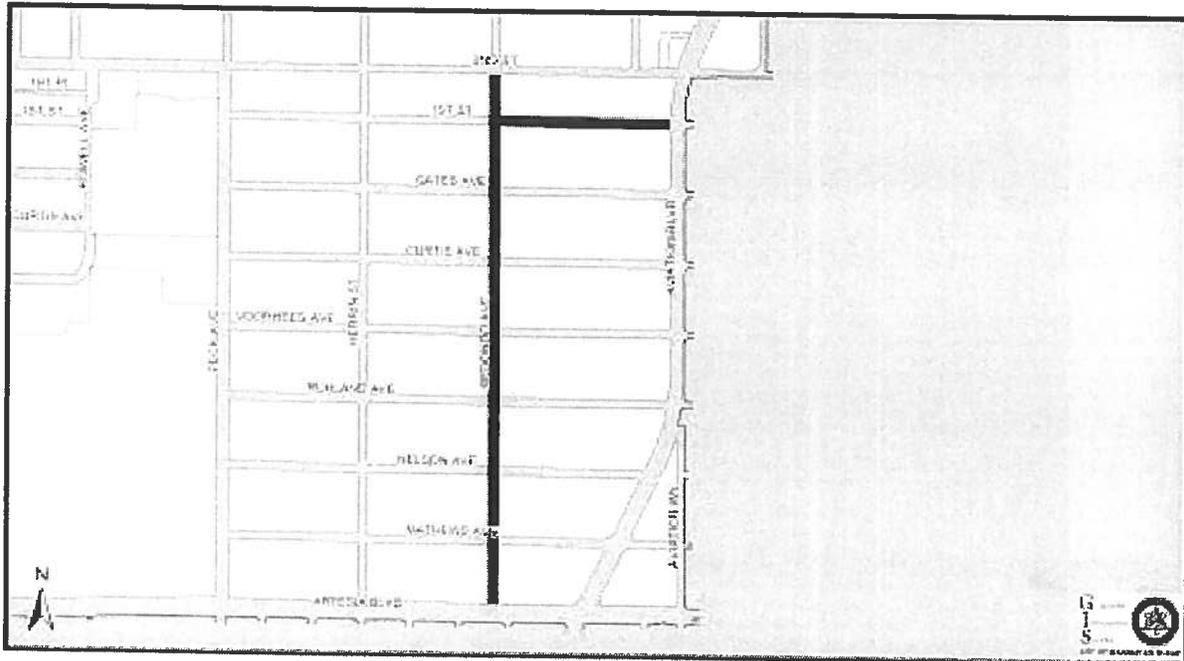
PRESIDENT AND CEO

# Attachment 1, Page 1 of 2 - Fiscal Year 2013-14 Water Main Replacement and Fire Hydrant Installation Project

## Original 2013-14 Locations (Area 2)

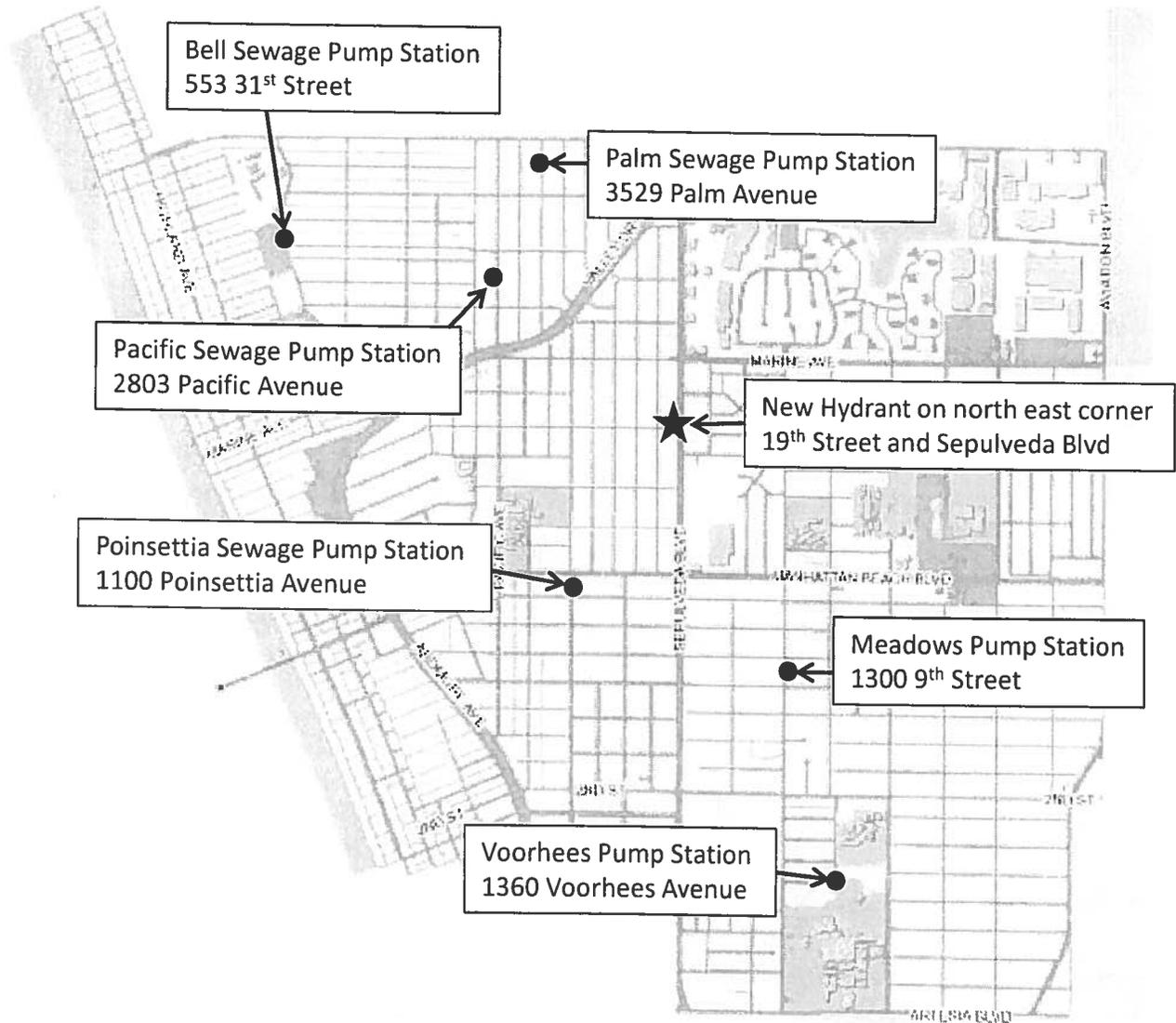


## Additional Locations accelerated from 2014-15 Project (Area 3)



# Attachment 1, Page 2 of 2 - Fiscal Year 2013-14 Water Main Replacement and Fire Hydrant Installation Project

## Additional 2" Blow-Offs and Fire Hydrant



**Legend**

- ★ Install new hydrant
- Install 2" blow-off