

**AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES FOR THE
PREPARATION OF A STATE OF CALIFORNIA, DEPARTMENT OF WATER
RESOURCES, PROPOSITION 1E, FLOODWAY CORRIDOR PROGRAM
GRANT APPLICATION**

This agreement for the provision of professional engineering services associated with preparation of a State of California, Department of Water Resources, Proposition 1E, Floodway Corridor Program Grant application ("Agreement") is made and entered into this 26th day of January, 2011 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City") and TKE Engineering, Inc. ("Consultant"). City and Consultant are sometimes individually referred to herein as a "Party" and, together, as the "Parties." In consideration of the mutual promises contained herein, City and Consultant agree as follows:

ARTICLE 1 - ENGAGEMENT OF CONSULTANT

- 1.1 City hereby engages Consultant to prepare an application for a State of California, Department of Water Resources, Proposition 1E, Floodway Corridor Program Grant for City's Opal Basin improvement project (the "Services").
- 1.2 The Services shall be performed by Consultant in a professional manner, and Consultant represents that it has the skill and the professional expertise necessary to provide the Services to City at a level of competency presently maintained by other practicing professional consultants in the industry providing like and similar types of Services.

ARTICLE 2 - SERVICES OF CONSULTANT

- 2.1 The Services that Consultant shall perform are more particularly described in Exhibit "A," entitled "Scope of Services," which is attached hereto and incorporated herein by reference.
- 2.2 Consultant shall comply with applicable federal, state and local laws and regulations in the performance of this Agreement including, but not limited to, the Americans with Disabilities Act, the Fair Employment and Housing Act and prevailing wage laws.

ARTICLE 3 - RESPONSIBILITIES OF CITY

- 3.1 City shall make available to Consultant information in its possession that may assist Consultant in performing the Services.
- 3.2 City designates Ms. Rosemary Hoerning, City's Municipal Utilities and Engineering Director, as City's representative with respect to performance of the Services, and such person shall have the authority to transmit instructions, receive information, interpret and define City's policies and decisions with respect to performance of the Services.

ARTICLE 4 - PERFORMANCE OF SERVICES

- 4.1 Consultant shall perform and complete the Services in a prompt and diligent manner, and within one hundred eighty (180) days of the Effective Date of this Agreement.
- 4.2 During the term of this Agreement, City may request that Consultant perform Extra Services. As used herein, "Extra Services" means any work that is determined necessary by City for the proper completion of the Services, but which the Parties did not reasonably anticipate would be necessary at the time of execution of this Agreement. Provided the Extra Services do not exceed twenty percent (20%) of the compensation to be paid by City to Consultant for the Services, such Extra Services may be agreed to by the Parties by written amendment to this Agreement, executed by a duly authorized City official in accordance with Chapter 2.16 of the Redlands Municipal Code. Consultant shall not perform, nor be compensated for, Extra Services without such written authorization from City.

ARTICLE 5 - PAYMENTS TO CONSULTANT

- 5.1 The total compensation for Consultant's performance of the Services shall be Nine Thousand Dollars (\$9,000).
- 5.2 Consultant shall submit an invoice to City upon completion of the Services, describing the work performed during the Service term. Consultant's invoice shall include a brief description of the Services performed, the dates the Services were performed, and the number of hours spent and by whom. City shall pay Consultant no later than thirty (30) days after receipt and approval by City of Consultant's invoice.
- 5.3 All notices shall be given in writing by personal delivery or by mail. Notices sent by mail should be addressed as follows:

City
Rosemary Hoerning
Municipal Utilities and Engineering Department
City of Redlands
35 Cajon Street, Suite 15A
P.O. Box 3005 (mailing)
Redlands, CA 92373

TKE Engineering, Inc.
Mr. Michael P. Thornton, P.E.
TKE Engineering, Inc.
2305 Chicago Avenue
Riverside, CA 92507

When so addressed, such notices shall be deemed given upon deposit in the United States Mail. Changes may be made in the names and addresses of the person to whom notices and payments are to be given by giving notice pursuant to this section 5.3.

ARTICLE 6 - INSURANCE AND INDEMNIFICATION

- 6.1 Insurance required by this Agreement shall be maintained by Consultant for the duration of its performance of the Services. Consultant shall not perform any Services unless and until required insurance listed below is obtained by Consultant. Consultant shall provide City with certificates of insurance and endorsements evidencing such insurance prior to commencement of the Services. Insurance policies shall include a provision prohibiting cancellation or modification of the policy except upon thirty (30) days' prior written notice to City; provided, however, the policies shall allow for ten (10) days notice for cancellation to City due to non-payment of premium.
- 6.2 Consultant shall secure and maintain Workers' Compensation and Employer's Liability insurance throughout the duration of its performance of the Services in accordance with the laws of the State of California, with an insurance carrier acceptable to City as described in Exhibit "B," entitled "Workers' Compensation Insurance Certification," which is attached hereto and incorporated herein by this reference.
- 6.3 Consultant shall defend, indemnify and hold harmless City and its elected officials, employees and agents from and against any and all claims, losses or liability, including attorneys' fees, arising from injury or death to persons or damage to property occasioned by and negligent act, omission or failure to act by Consultant, its officers, employees and agents in performing the Services.
- 6.4 Consultant shall secure and maintain in force throughout the term of this Agreement comprehensive general liability insurance with carriers acceptable to City. Minimum coverage of One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate for public liability, property damage and personal injury is required. City shall be named as an additional insured and such insurance shall be primary with respect to City and non-contributing to any insurance or self-insurance maintained by City.
- 6.5 Consultant shall secure and maintain professional liability insurance throughout the term of this Agreement in the amount of One Million Dollars (\$1,000,000) per claim made. Certificates of insurance shall be delivered to City prior to commencement of the Services.
- 6.6 Consultant shall have business auto liability coverage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence, combined single limit for bodily injury liability and property damage liability. This coverage shall include all Consultant owned vehicles used in connection with Consultant's provision of the Services, hired and non-owned vehicles, and employee non-ownership vehicles. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self insurance maintained by City.

ARTICLE 7 - CONFLICTS OF INTEREST

- 7.1 Consultant covenants and represents that it does not have any investment or interest in any real property that may be the subject of this Agreement or any other source of income, interest in real property or investment that would be affected in any manner or degree by the performance of Consultant's Services. Consultant further covenants and represents that in the performance of its duties hereunder, no person having any such interest shall perform any Services under this Agreement.
- 7.2 Consultant agrees it is not a designated employee within the meaning of the Political Reform Act because Consultant:
- A. Does not make or participate in:
- (i) the making or any City governmental decisions regarding approval of a rate, rule or regulation, or the adoption or enforcement of laws;
 - (ii) the issuance, denial, suspension or revocation of City permits, licenses, applications, certifications, approvals, orders or similar authorizations or entitlements;
 - (iii) authorizing City to enter into, modify or renew a contract;
 - (iv) granting City approval to a contract that requires City approval and to which City is a party, or to the specifications for such a contract;
 - (v) granting City approval to a plan, design, report, study or similar item;
 - (vi) adopting, or granting City approval of, policies, standards or guidelines for City or for any subdivision thereof.
- B. Does not serve in a staff capacity with City and in that capacity, participate in making a governmental decision or otherwise perform the same or substantially the same duties for City that would otherwise be performed by an individual holding a position specified in City's Conflict of Interest Code under Government Code section 87302.
- 7.3 In the event City officially determines that Consultant must disclose its financial interests by completing and filing a Fair Political Practices Commission Form 700, Statement of Economic Interests. Consultant shall file the subject Form 700 with the City Clerk's office pursuant to the written instructions provided by the Office of the City Clerk.

ARTICLE 8 - GENERAL CONSIDERATIONS

- 8.1 In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party.

- 8.2 Consultant shall not assign any of the Services, except with the prior written approval of City and in strict compliance with the terms, and conditions of this Agreement.
- 8.3 Consultant is for all purposes under this Agreement an independent contractor and shall perform the Services as an independent contractor. Neither City nor of its agents shall have control over the conduct of Consultant or Consultant's employees, except as herein set forth. Consultant shall supply necessary tools and instrumentalities required to perform the Services. Assigned personnel employed by Consultant are for its account only, and in no event shall Consultant or personnel retained by it be deemed to have been employed by City or engaged by City for the account of, or on behalf of City. Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent, nor shall Consultant have any authority, express or implied, to bind City to any obligation.
- 8.4 Termination.
- A. Unless earlier terminated as provided for below, this Agreement shall terminate upon completion and acceptance of the Services by City.
- B. This Agreement may be terminated by City, in its sole discretion, by providing five (5) days prior written notice to Consultant (delivered by certified mail, return receipt requested) of City's intent to terminate.
- C. If this Agreement is terminated by City, an adjustment to Consultant's compensation shall be made, but (1) no amount shall be allowed for anticipated profit or unperformed Services, and (2) any payment due Consultant at the time of termination may be adjusted to the extent of any additional costs to City occasioned by any default by Consultant.
- D. Upon receipt of a termination notice, Consultant shall immediately discontinue its provision of the Services and, within five (5) days of the date of the termination notice, deliver or otherwise make available to City, copies (in both hard copy and electronic form, where applicable) of project related data, design calculations, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by Consultant in performing the Services. Consultant shall be compensated on a pro-rata basis for Services completed up to the date of termination.
- 8.5 Consultant shall maintain books, ledgers, invoices, accounts and other records and documents evidencing costs and expenses related to the Services for a period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant pursuant to this Agreement. Such books shall be available at reasonable times for examination by City at the office of Consultant.
- 8.6 This Agreement, including the Exhibits incorporated herein by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations, written proposals or verbal agreements relating to such

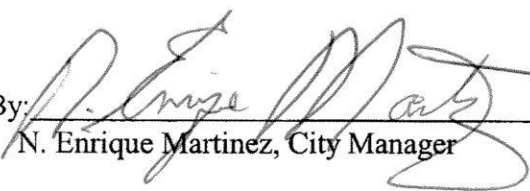
matters are superseded by this Agreement. Except as otherwise provided for herein, an amendment to this Agreement shall be in writing, approved by City and signed by City and Consultant.

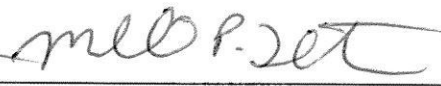
- 8.7 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, duly authorized representatives of the City and Consultant have signed in confirmation of this Agreement.

CITY OF REDLANDS

TKE ENGINEERING, INC.

By: 
N. Enrique Martinez, City Manager

By: 
Michael P. Thornton, P.E.

Attest:


Sam Irwin, City Clerk





Exhibit "A"

T K E E N G I N E E R I N G , I N C .

January 19, 2011

Ms. Rosemary Hoerning
Municipal Utilities and Engineering Director/City Engineer
City of Redlands
Civic Center
35 Cajon Street, Suite 15A
Redlands, CA 92373

Subject: City of Redlands' Flood Control and Aquifer Recharge Program
State Funding Opportunities
Floodway Protection Corridor Program

Dear Ms. Hoerning,

Thank you for the opportunity to submit a proposal to provide professional engineering services for preparation of a State of California, Department of Water Resources (State)'s Proposition 1E, Floodway Corridor Program application. The City desires to solicit funds from State for construction of phased improvements at the Opal Basin located on the Northeast corner of Citrus and Opal Avenues near the City of Redlands, California.

Applications for this grant opportunity are due February 25, 2011. TKE Engineering previously submitted a grant application for the same program. Based on conversation with State staff, the submittal scored very well with respect to the flood protection measures; however, lacked adequate measures related to agricultural land preservation. It is our intention to work with the City to develop a cost effective and stronger agricultural land preservation project component for this application. TKE Engineering is uniquely positioned to prepare a cost effective application for these grant fund because of our familiarity with the historic storm water studies, reports, proposed facility preliminary design layout, and hydraulic modeling with the San Bernardino Flood Control District.

If authorized, TKE Engineering, Inc. (TKE) will provide the following services:

1. Research

TKE has researched program requirements and the City's proposed Opal Basin project is consistent with program goals and objectives. In particular, the Project includes acquisition of land from a willing seller to protect or enhance flood protection corridors and floodplains in addition to constructing new levees necessary for the establishment of a flood protection corridor. Selection criteria will be 3 fold, flood protection, wildlife conservation or agricultural land conservation, and quality of proposal and additional benefits.

Exhibit "A"

Rosemary Hoerning, City Engineer
City of Redlands' Flood Control and Aquifer Recharge Program

January 19, 2011
Page 2 of 2

2. Project Development

The maximum amount of grant funding eligible within the subject program is \$5 million. Preliminary estimates of the project ultimate build-out are estimated at \$11 million. The City continues to endeavor to acquire other funding including but not limited to federal, state, and local funding for the project. However, any non-subject program funding amounts will likely be insufficient to complete the ultimate project. Therefore, TKE will develop a phased project that includes construction of improvements within grant and match funding amounts. The phased project will enhance flood protection as much as possible, will consider land conversions to original habitat as well as historical consideration of the Mill Creek-Zanja Channel.

Other project components will need to be developed that will enhance the application related to conservation so that the project will be as competitive as possible. TKE with City staff will consider both agricultural and land conversation alternatives to be included with the project.

3. Application Preparation

TKE will prepare an application in accordance with State requirements and guidelines. In particular, application attachments including project description, budget, scope, schedule, engineering analysis, CEQA, and other pertinent data.

4. Application Submission

TKE will submit the application using the Online Bond Management System. In addition, TKE will prepare 1 hard copy version for the City's use.

TKE will complete the services presented above within the time requirements for a fee of \$10,000. We will invoice the City upon completion of the services. If you have any questions, please call me at (951) 680-0440.

Sincerely,



Michael P. Thornton, P.E.
TKE ENGINEERING, INC.

Rosemary Hoerning

From: Mike Thornton [mthornton@tkeengineering.com]
Sent: Thursday, January 20, 2011 7:47 AM
To: Rosemary Hoerning
Subject: Opal Basin

Rosemary,

In response to the CM's request, TKE will reduce our fee by \$1,000, from \$10,000 to \$9,000 for Prop 1E grant application preparation services. If acceptable, please furnish a NTP.

Thanks, Mike

1/20/2011

DATE (MM/DD/YYYY)

01/24/11

CERTIFICATE OF LIABILITY INSURANCE

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).

PRODUCER Alliant Insurance Services, Inc (Lic-0C36861) 735 Carnegie Drive, Ste 200 San Bernardino, CA 92408 Select Accounts		909-886-9861 909-886-2013	CONTACT NAME: Stephani Compton PHONE (A/C, No, Ext): 909-474-8730 FAX (A/C, No): 909-474-2013 E-MAIL ADDRESS: scompton@alliantinsurance.com PRODUCER CUSTOMER ID #: TKEEN-1
INSURED TKE Engineering Inc 2305 Chicago Ave Riverside, CA 92507		INSURER(S) AFFORDING COVERAGE INSURER A: Travelers Property Casualty* INSURER B: Travelers Casualty Ins Co* INSURER C: INSURER D: INSURER E: INSURER F:	
		NAIC # 25674	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

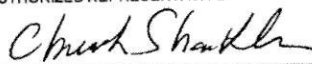
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE 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	GENERAL LIABILITY	X		68045LO9980-10	01/05/11	01/05/12	EACH OCCURRENCE \$ 1,000,000
	☒ COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000
	☐ CLAIMS-MADE ☒ OCCUR						MED EXP (Any one person) \$ 5,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
A	AUTOMOBILE LIABILITY			BA46L34594-10	01/05/11	01/05/12	PRODUCTS - COMP/OP AGG \$ 2,000,000
	☒ ANY AUTO						
	☐ ALL OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	☐ SCHEDULED AUTOS						BODILY INJURY (Per person) \$
	☐ HIRED AUTOS						BODILY INJURY (Per accident) \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		N/A	UB45L66280-10	01/05/11	01/05/12	PROPERTY DAMAGE (Per accident) \$
	☐ ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						
	☐ If yes, describe under DESCRIPTION OF OPERATIONS below						
	UMBRELLA LIAB						
	☐ EXCESS LIAB						EACH OCCURRENCE \$
	☐ DEDUCTIBLE						AGGREGATE \$
	☐ RETENTION \$						

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 Job: City of Redlands Flood Control and Aquifer Recharge Program State Funding Opportunities. Certholder is add'l insd as respects gen'l liab per end't CGD252(0103).

CERTIFICATE HOLDER

CANCELLATION

CIREDLA City of Redlands Attn: Rosemary Hoerning 35 Cajon Street, Ste 15A Redlands, CA 92373	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 
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

BLANKET ADDITIONAL INSURED (CONTRACTORS OPERATIONS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. WHO IS AN INSURED – (Section II) is amended to include any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:
 - a) Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
 - b) If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.
2. The insurance provided to the additional insured by this endorsement is limited as follows:
 - a) In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section III – Limits Of Insurance.
 - b) The insurance provided to the additional insured does not apply to "bodily injury", "property damage" or "personal injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
 - i. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
 - ii. Supervisory, inspection, architectural or engineering activities.
3. The insurance provided to the additional insured does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard".
4. The insurance provided to the additional insured does not apply to "bodily injury" or "property damage" that occurs, or "personal injury" arising out of an offense committed, while any separate liability insurance that you have procured for that person or organization is in effect, regardless of whether the scope or limits of insurance in this Coverage Part exceed those of that separate liability insurance or whether that separate liability insurance is valid and collectible.
3. The insurance provided to the additional insured by this endorsement is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover under this endorsement.
4. As a condition of coverage provided to the additional insured by this endorsement:
 - a) The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:
 - i. How, when and where the "occurrence" or offense took place;
 - ii. The names and addresses of any injured persons and witnesses; and
 - iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.
 - b) If a claim is made or "suit" is brought against the additional insured, the additional insured must:
 - i. Immediately record the specifics of the claim or "suit" and the date received; and

COMMERCIAL GENERAL LIABILITY

ii. Notify us as soon as practicable.

The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c) The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
- d) The additional insured must tender the defense and indemnity of any claim or "suit" to any provider of "other insurance" which would cover the additional insured for a loss we cover under this endorsement.

5. The following definition is added to SECTION V - DEFINITIONS:

"Written contract requiring insurance" means that part of any written contract or agreement under which you are required to include a person or organization 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 the signing and execution of the contract or agreement by you;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.

Insured: TKE Engineering Inc

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OTHER INSURANCE – ADDITIONAL INSUREDS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV), Paragraph 4. (Other Insurance), is amended as follows:

1. The following is added to Paragraph a. Primary Insurance:

However, if you specifically agree in a written contract or written agreement that the insurance provided to an additional insured under this 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 that other insurance, provided that:

- a. The "bodily injury" or "property damage" for which coverage is sought occurs, and

- b. The "personal injury" or "advertising injury" for which coverage is sought arises out of an offense committed

subsequent to the signing and execution of that contract or agreement by you.

2. The first Subparagraph (2) of Paragraph b. Excess Insurance regarding any other primary insurance available to you is deleted.

3. The following is added to Paragraph b. Excess Insurance, as an additional subparagraph under Subparagraph (1):

That is available to the insured when the insured is added as an additional insured under any other policy, including any umbrella or excess policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

XTEND ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE - This endorsement broadens coverage. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the **PROVISIONS** of this endorsement carefully to determine rights, duties, and what is and is not covered.

- | | |
|---|--|
| <ul style="list-style-type: none">A. Broadened Named InsuredB. Damage To Premises Rented To You Extension<ul style="list-style-type: none">• Perils of fire, explosion, lightning, smoke, water• Limit increased to \$300,000C. Blanket Waiver of SubrogationD. Blanket Additional Insured - Managers or Lessors of PremisesE. Blanket Additional Insured - Lessor of Leased EquipmentF. Incidental Medical MalpracticeG. Personal Injury - Assumed by ContractH. Extension of Coverage - Bodily Injury | <ul style="list-style-type: none">I. Injury to Co-Employees and Co-Volunteer WorkersJ. Aircraft Chartered with CrewK. Non-Owned Watercraft - Increased from 25 feet to 50 feetL. Increased Supplementary Payments<ul style="list-style-type: none">• Cost for bail bonds increased to \$2,500• Loss of earnings increased to \$500 per dayM. Knowledge and Notice of Occurrence or OffenseN. Unintentional OmissionO. Reasonable Force - Bodily Injury or Property Damage |
|---|--|

PROVISIONS

A. BROADENED NAMED INSURED

1. The Named Insured in Item 1. of the Declarations is as follows:

The person or organization named in Item 1. of the Declarations and any organization, other than a partnership or joint venture, over which you maintain ownership or majority interest on the effective date of the policy. However, coverage for any such organization will cease as of the date during the policy period that you no longer maintain ownership of, or majority interest in, such organization.

2. WHO IS AN INSURED (Section II) Item 4.a. is deleted and replaced by the following:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, unless reported in writing to us within 180 days.

3. This Provision A. does not apply to any person or organization for which coverage is excluded by endorsement.

B. DAMAGE TO PREMISES RENTED TO YOU EXTENSION

1. The last paragraph of **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** (Section I - Coverages) is deleted and replaced by the following:

Exclusions c. through n. do not apply to damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:

- a. Fire;
- b. Explosion;
- c. Lightning;
- d. Smoke resulting from such fire, explosion, or lightning; or
- e. Water.

A separate limit of insurance applies to this coverage as described in **LIMITS OF INSURANCE** (Section III).

2. This insurance does not apply to damage to premises while rented to you, or temporarily

COMMERCIAL GENERAL LIABILITY

occupied by you with permission of the owner, caused by:

- a. Rupture, bursting, or operation of pressure relief devices;
 - b. Rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water;
 - c. Explosion of steam boilers, steam pipes, steam engines, or steam turbines.
3. Part 6. of LIMITS OF INSURANCE (Section III) is deleted and replaced by the following:
- Subject to 6. above, the Damage To Premises Rented To You Limit is the most we will pay under COVERAGE A. for damages because of "property damage" to any one premises while rented to you, or temporarily occupied by you with permission of the owner, caused by fire, explosion, lightning, smoke resulting from such fire, explosion, or lightning, or water. The Damage To Premises Rented To You Limit will apply to all damage proximately caused by the same "occurrence", whether such damage results from fire, explosion, lightning, smoke resulting from such fire, explosion, or lightning, or water, or any combination of any of these.
- The Damage To Premises Rented To You Limit will be the higher of:
- a. \$300,000; or
 - b. The amount shown on the Declarations for Damage To Premises Rented To You Limit.
4. Under DEFINITIONS (Section V), Paragraph a. of the definition of "Insured contract" is amended so that it does not include that portion of the contract for a lease of premises that indemnifies any person or organization for damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:
- a. Fire;
 - b. Explosion;
 - c. Lightning;
 - d. Smoke resulting from such fire, explosion, or lightning; or
 - e. Water.
6. This Provision B. does not apply if coverage for Damage To Premises Rented To You of

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I - Coverages) is excluded by endorsement.

C. BLANKET WAIVER OF SUBROGATION

We waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of premises owned or occupied by or rented or loaned to you; ongoing operations performed by you or on your behalf, done under a contract with that person or organization; "your work"; or "your products". We waive this right where you have agreed to do so as part of a written contract, executed by you prior to loss.

D. BLANKET ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES

WHO IS AN INSURED (Section II) is amended to include as an insured any person or organization (referred to below as "additional insured") with whom you have agreed in a written contract, executed prior to loss, to name as an additional insured, but only with respect to liability arising out of the ownership, maintenance or use of that part of any premises leased to you, subject to the following provisions:

1. Limits of Insurance. The limits of insurance afforded to the additional insured shall be the limits which you agreed to provide, or the limits shown on the Declarations, whichever is less.
2. The insurance afforded to the additional insured does not apply to:
 - a. Any "occurrence" that takes place after you cease to be a tenant in that premises;
 - b. Any premises for which coverage is excluded by endorsement; or
 - c. Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.
3. The insurance afforded to the additional insured is excess over any valid and collectible insurance available to such additional insured, unless you have agreed in a written contract for this insurance to apply on a primary or contributory basis.

E. BLANKET ADDITIONAL INSURED - LESSOR OF LEASED EQUIPMENT

WHO IS AN INSURED (Section II) is amended to include as an insured any person or organization (referred to below as "additional insured") with

Client#: 40156

2TKEENGI

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/24/2011

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).

PRODUCER Willis Ins. Serv. of California Inc. 18101 Von Karman Avenue Suite 600 Irvine Ca 92612	CONTACT NAME: Cora Lim PHONE (A/C, No, Ext): 949 885-1200 FAX (A/C, No): 949-885-1225 E-MAIL ADDRESS: PRODUCER CUSTOMER ID #:																					
INSURED TKE Engineering, Inc. 2305 Chicago Avenue Riverside, CA 92507	<table border="1"> <tr> <td colspan="2">INSURER(S) AFFORDING COVERAGE</td><td>NAIC #</td></tr> <tr> <td>INSURER A:</td><td>Lloyds of London</td><td>B2094</td></tr> <tr> <td>INSURER B:</td><td></td><td></td></tr> <tr> <td>INSURER C:</td><td></td><td></td></tr> <tr> <td>INSURER D:</td><td></td><td></td></tr> <tr> <td>INSURER E:</td><td></td><td></td></tr> <tr> <td>INSURER F:</td><td></td><td></td></tr> </table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A:	Lloyds of London	B2094	INSURER B:			INSURER C:			INSURER D:			INSURER E:			INSURER F:		
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INSURER C:																						
INSURER D:																						
INSURER E:																						
INSURER F:																						

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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.

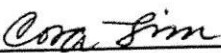
INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY ☐ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ☐ NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
	UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DEDUCTIBLE \$ RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ Y ☒ N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below					WC STATU-TORY LIMITS ☐ OTH-ER ☐ E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liab		ANE111191310	8/01/2010	8/01/2011	\$1,000,000 Per Claim \$2,000,000 Aggregate

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

ALL PROFESSIONAL SERVICES RENDERED BY NAMED INSURED INCLUDING BUT NOT LIMITED TO FLOOD CONTROL & ACQUIFER RECHARGE PROGRAM FOR STATE FUNDING OPPORTUNITIES.

CERTIFICATE HOLDER

CANCELLATION 10 Days for Non-Payment

CITY OF REDLANDS ATTN: ROSEMARY HOERNING 35 CAJON STREET STE 15A Redlands, CA 92373	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 
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MUNICIPAL UTILITIES & ENGINEERING DEPARTMENT

MEMORANDUM

TO: N. Enrique Martinez, City Manager

CC: Tina Kundig, Finance Director

FROM: Rosemary Hoerning, MUED Director *RH*

DATE: January 24, 2011

SUBJECT: Professional Engineering Services TKE Engineering, Inc.
Proposition 1E Floodway Protection Corridor Program Grant

RECOMMENDATION:

It is requested that the City Manager execute the attached agreement with TKE Engineering, Inc. for professional engineering services for the preparation of a \$5 million Proposition 1E Floodway Protection Corridor Program Grant for right of way and improvements to the planned Opal Basin flood mitigation feature.

BACKGROUND:

TKE Engineering prepared a previous Proposition 84 Grant Application for improvement related to the Mill Creek Zanja. This application was well received related to the storm water protection benefit, but lacked in the agricultural preservation categories. Staff recommends the preparation of a new application that incorporates additional information to address the elements of agricultural preservation. They are recommended for this work due to their familiarity with the storm water issues and the required quick turn around to meet the application deadline.

This effort is consistent with the City Council's direction to pursue funding opportunities to implement storm water management improvements on the Mill Creek Tributary.

FISCAL IMPACT:

In accordance with your request TKE Engineering, Inc. has reduced their proposed fee for these services by 10 percent to a total amount of \$9,000.00.

Staff recommends using budgeted Storm Drain Construction funds from the Downtown Storm Drain project JL 48028, which is a part of the overall Mill Creek Storm Water Management Program, for these services. The Grant if successful requires a minimum 10 percent local match. It is recommended that the local match be funded from the Storm Drain Construction funds.