

**AGREEMENT TO PERFORM PROFESSIONAL ENGINEERING SERVICES
FOR THE DESIGN TO THE CITY OF REDLANDS
2010 CAPITAL IMPROVEMENT PROGRAM
WATER PIPELINE REPLACEMENT PROJECT**

This agreement for the provision of design engineering services for the design of the City of Redlands 2010 Capital Improvement Program Water Pipeline Replacement Project ("Agreement") is made and entered into this 19th day of January, 2010 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City") and RCE Consultants, 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 perform professional engineering design services for the 2010 Capital Improvement Program Water Pipeline Replacement Project located throughout the City's water service area (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 Mr. Bassam Alzammar as the 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 the Services in a prompt and diligent manner and in accordance with the schedule set forth in Exhibit "B," entitled "Project Schedule."
- 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 project or work for which the Services are being performed, 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 the City Manager, or duly authorized city official. 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 not exceed the amount of One Hundred Ninety Four Thousand Twelve Dollars Fifty Cents (\$194,012.50). City shall pay Consultant on a time and materials basis up to the not to exceed amount, in accordance with Exhibit "C" entitled "Project Costs," and based upon the hourly rates shown in Exhibit "D," entitled "Rate Schedule." Both Exhibits "C" and "D" are attached hereto and incorporated herein by this reference.
- 5.2 Consultant shall submit monthly invoices to City describing the work performed during the preceding month. Consultant's invoices shall include a brief description of the Services performed, the dates the Services were performed, the number of hours spent and by whom, and a description of reimbursable expenses related to the project. 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
Bassam Alzammar
Municipal Utilities and Engineering Dept.
City of Redlands
35 Cajon Street, Suite 15A
PO Box 3005 (mailing)
Redlands, CA 92373

Consultant
Richard L. Clark
RCE Consultants, Inc.
7595 Irvine Center Drive
Suite 150
Irvine, CA 9218

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. 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, except for ten (10) days notice for cancellation due to non-payment of premium.

- 6.2 Workers' Compensation and Employer's Liability. 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 "E," entitled "Workers' Compensation Insurance Certification," which is attached hereto and incorporated herein by this reference.

- 6.3 Hold Harmless and Indemnification. 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 Comprehensive General Liability Insurance. 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 the insurance policy shall include a provision prohibiting modification of coverage limits or cancellation of the policy except upon thirty (30) days prior written notice to City. Such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City. Certificates of insurance shall be delivered to City prior to commencement of the Services.
- 6.5 Professional Liability Insurance. 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 Business Auto Liability Insurance. 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 a certificate of insurance and endorsement shall be delivered to City prior to commencement of the services. 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 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 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 Attorneys' Fees. 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 Prohibition Against Assignment. 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 Documents and Records. Project related documents, records, drawings, designs, cost estimates, electronic data files, databases and any other documents developed by Consultant in connection with its performance of the Services, and any copyright interest in such documents, shall become the property of City and shall be delivered to City upon completion of the Services, or upon the request of City. Any reuse of such documents, and any use of incomplete documents, shall be at City's sole risk.

8.4 Independent Contractor Status. 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.

8.5 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 thirty (30) 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.

8.6 Books and Records. 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.

8.7 Entire Agreement/Amendment. 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.

8.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

8.9 Severability. If one or more of the sentences, clauses, paragraphs or sections contained in this Agreement is declared invalid, void or unenforceable by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall not affect, impair or invalidate the remaining sentences, clauses, paragraphs or sections contained herein, unless to do so would deprive a Party of a material benefit of its bargain under this Agreement.

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

CITY OF REDLANDS

RCE CONSULTANTS, INC.

By: _____
Pat Gilbreath, Mayor

By: _____
Richard L. Clark, P.E.

Attest:

City Clerk

EXHIBIT "A"

SCOPE OF SERVICES

Approach:

It is our understanding that the City of Redlands requires that the proposed water main replacements per the RFP be designed and installed before June 2011. We have prepared a detailed design and construction schedule to show specifically how we will execute this project.

In preparation for this proposal, RCE:

- Requested drawings of existing facilities from the utility companies within the City
- Field inspected the alignment of the proposed water replacement mains
- Met with Engineering staff from the City of Redlands
- Reviewed City atlas maps for the complete proposed water project
- Reviewed City approved record drawings of last years Water Capital Improvement Project

Through these efforts, we have acquired a thorough knowledge of the parameters affecting the proposed pipelines. We understand the City of Redlands' requirements with regard to encroachment permits, traffic control; construction working hours, design and plan check process. We are very familiar with the City's water system. The following discussion explains our initial research and preliminary design activities.

Based on our prior experience, the critical elements associated with a project of this nature include obtaining accurate base map data and creating construction documents that define the City's commitment to maintaining services to the residents throughout the installation process.

The City will have several decisions to make early in the design process related to continued service to the residents. These include but are not limited to the following:

- Acceptable durations of interruption to both water and sewer service.
- Continued access to private property during the construction.
- Daytime or nighttime reconnections.

Each of these decisions impact both the construction costs but also the potential political success of the project. RCE will utilize our prior experience with these types of projects together with the City's experience to help define the project's construction documents. As an example we recommend that language is incorporated into the documents that require the contractor to maintain all utility services to the homes until the day of reconnection.

In order to mitigate schedule pressures beyond our control and because we decided to do so for the sewer CIP project, we have already initiated the existing utility requests for this project also. We have contacted the following utility companies and sent letters requesting record drawings of their existing facilities both above and below ground for each of the project areas:

Southern California Edison

Southern California Gas

AT&T	Sprint
Verizon	Time Warner Cable
Metropolitan Water District of Southern California	Western Heights Water Company
Bear Valley Mutual Water Company	Crafton Water Company
Lugonia Water Company	

We will continue to follow up with these companies over the next month, so that we will have all the available information in hand to prepare the base maps for the proposed water pipelines.

Upon award, we will immediately produce the base maps based on record maps and street improvement plans provided by the City. We will provide the street centerline bearing and distances and City benchmark data to our survey teams which will then field survey the proposed water main alignments. Please refer to the enclosed design and construction schedule. We have scheduled twenty (20) days for base map preparation and twenty (20) days for field survey. This is based on two survey crews capturing approximately 1,500 linear feet of topography per crew per day.

Based on discussions with staff at the Engineering department, we have scheduled three (3) City reviews of the proposed design at fifty percent (50%), ninety percent (90%) and one-hundred percent (100%) complete stages. As two of the project areas (Mill Creek Road and the Interstate 10 freeway) are within Caltrans right-of-way, we will submit the design to Caltrans at each City submittal. We have included Caltrans coordination in this proposal.

By completing the design by July 7, 2010, this leaves a year for bidding, award and construction. Based on our prior experience, we believe this to be a reasonable timeframe.

Based upon our prior experience with projects of this nature, we believe this project's success will depend on thorough background research and constant communication with City staff. To achieve this, RCE will place strong emphasis on thorough communications with all effected utilities to ensure that the design, when submitted, is complete to the appropriate level of detail for the particular milestone submittal. Also, RCE's reputation is grounded in continual communication with our clients

The following section explains in detail and in sequence the tasks we propose to undertake to complete this project.

Scope of Work:

Kick-Off Meeting: Before the official authorization to proceed, we will prepare the agenda for the kick-off meeting and distribute to the requested attendees in advance. This agenda will cover critical project delivery issues such as lines of communication, milestone schedule, content of deliverables and design related issues. We will schedule the kick-off meeting for January 19, 2010 and issue the minutes to all attendees within two days of the meeting. This kick-off meeting is extremely important to the overall project success. Therefore ensuring the proper items are discussed and the appropriate attendees are present is of utmost importance.

Project Schedule: After the kick-off meeting, we will immediately update the project design schedule, if required. We will use the schedule in this proposal as a baseline and expand it to the level of detail required for us to manage the project. This scheduling process is a key tool in

RCE's project delivery system. We will issue the schedule to the City for input and upon incorporation of City comments; this schedule will become the project timeline. Schedule progress will be reviewed weekly as a means of tracking progress and for baseline information when making project decisions such as overlapping tasks or the need to apply extra resources to certain tasks to expedite the overall project progress. RCE will update City staff on any adjustments to the project schedule during the design phase. Once the adjustments have been approved by the City, we will issue a revised project schedule to the City.

Research: As mentioned above, we will have already obtained the existing utility information from the other utilities and at the kick-off meeting we will anticipate receiving the street record drawings, City utility drawings and available final maps from the City of Redlands.

Base Map Preparation: Using the City provided street improvement plans and available utility drawings; we will prepare a detailed base map for the project. The existing right-of-way lines, street centerlines, lot lines and easements, if any, will be shown on the base map along with the utilities. Completion of this map will be a key element in the overall success in the project. An accurate and thorough base map will serve to illuminate all the potential design issues as well as help to avoid potentially costly conflicts during construction. We intend to apply considerable resources to this task to ensure the base map will be up to the standard required of the project. One of our first quality assurance system milestones will be the peer review of the base map to ensure all the utility information has been incorporated and that the street and survey data correctly overlaid.

Design Survey: Once we have compiled sufficient street centerline and right-of-way data and City bench information, we will initiate the field survey. This will include existing surface features and topographic elevations for the streets and unpaved areas required for the project. We will survey from curb to curb on the streets and in the unpaved areas we will survey a twenty foot width above the proposed pipeline. The topography will be based on City benchmarks and either state plane coordinate system or assumed coordinate systems as appropriate based on the project locations.

Site Visit: After incorporating the field survey data into the base map, we will perform a site walk of the proposed alignment of the water mains. Again, a vital step in our quality assurance system, this site walk will serve to verify the base map and gather additional information unavailable in the record documents or the field survey. Photos will also be taken for reference during the design phase.

Preliminary Design: Upon completion of the base map, survey and site inspection, we will proceed with the preliminary design. We will layout the horizontal alignment of the proposed pipelines on the base map. After this, we will make any appropriate recommendations to the City for potholing if required. We anticipate this preliminary design will warrant discussion with the City. These discussions may be informal in nature but will serve to update the City on our progress and reveal relevant design and construction issues early in the process.

50% Design: After the informal communications with the City during the preliminary design are complete and the preliminary design is agreed upon, the 50% design submittal will show the plan only of the proposed water mains. The plans will be on 24" x 36" sheets and the set will include a title sheet and sixteen (16) plan sheets. An outline of the Special Provisions and the Technical Specifications will also be included in the 50% design submittal. This proposal includes one (1) 50% design review meeting with the City to discuss comments before we

proceed to the next design stage. We will prepare and distribute the agenda beforehand and prepare and distribute the minutes to all attendees afterwards.

90% Design: After the 50% design review meeting, we will proceed to 90% design. This submittal will contain the construction notes and details specific to this project. The complete bid documents, Special Provisions and the Technical Specifications will also be included in the 90% design submittal. This proposal includes one (1) 90% design review meeting with the City to discuss comments before we proceed to the next design stage. We will prepare and distribute the agenda beforehand and prepare and distribute the minutes to all attendees afterwards.

100% Design: Upon approval by the City of the 90% design, we will proceed to the 100% design stage. This submittal will incorporate City comments and finalize the plans and specifications. We will prepare the engineer's estimate of probable construction cost at this stage. Based on our discussions with the City of Redlands, we will not prepare separate traffic control plans. We will however specify that the contractor abide by the Work Area Traffic Control Handbook (WATCH). This proposal includes one (1) 100% design review meeting with the City to discuss any final comments. We will prepare and distribute the agenda beforehand and prepare and distribute the minutes to all attendees afterwards.

Final Documents: Upon receipt of comments from the City on the 100% documents, we will finalize the plans, bid documents, specifications and engineer's estimate. We will incorporate all review comments and submit thoroughly cross-referenced, quality checked and peer reviewed final reproducible construction documents, signed and stamped.

We estimate the final plan set to include:

1. Title Sheet
2. General Notes, Abbreviations, Vicinity Map, Location Map, Special Notes, Sheet Index
3. Details
4. – 19. Plan Sheets

This proposal includes printing required for production of the final documents including budget for the review sets at 50%, 90% and 100%. We will submit one set of signed and sealed mylars of the final approved full size construction plans with one set of camera-ready original specifications.

Record Drawings: At the completion of the construction project, RCE will update the project plans to reflect the contractor's and City inspector's redlines. We will provide "record drawing" mylars and AutoCAD files to the City.

Assumptions and Exclusions:

- Potholing and survey of potholed locations are not included in this proposal and are assumed to be undertaken by the City or provided as an additional service.
- Preparation of Proposed Easement documents is excluded and is assumed to be the responsibility of the City, if required.

- Locations of existing laterals and services will be based upon available record data and this proposal excludes the field location of underground laterals and services.
- Environmental, Geotechnical, Structural and Mechanical Engineering are excluded from this proposal.
- Aerial Topography is excluded and can be provided if required as an additional service.

EXHIBIT "B"

EXHIBIT "C"

EXHIBIT "D"
Rate Schedule

**HOURLY CHARGE RATE AND
EXPENSE REIMBURSEMENT SCHEDULE**

Professional

Engineering Intern	\$ 56.00
Designer/CAD Operator	\$ 110.00
Engineer I.....	\$ 112.00
Engineer II	\$ 120.00
Engineer III/ Senior Designer	\$ 125.00
Senior Engineer.....	\$ 135.00
Project Engineer/Project Coordinator	\$ 160.00
Project Manager/Sr. Project Coordinator...	\$ 177.00
Senior Project Manager.....	\$ 200.00
Principal.....	\$ 250.00
Expert Witness Testimony*	\$ 400.00

Survey/Mapping

Survey Technician I	\$ 115.00
Survey Technician II/Field Supervisor	\$ 125.00
Senior Surveyor.	\$ 141.00
Project Surveyor.	\$ 180.00
Two-Person Survey Party	\$ 255.00
Three-Person Survey Party	\$ 340.00
One-Man Survey Party.....	\$ 190.00

Administrative

Administrative Clerk.....	\$ 52.00
Word Processor/Admin. Support	\$ 65.00
Graphic Designer/Survey Research	\$ 105.00

Reproduction, special photography, postage, delivery services, express mail, out-of-area telephone calls, printing and any other services performed by subcontractor, will be billed at cost plus 15%.

Reimbursable In-House Costs

Photo Copies (B&W 8.5"x11")	\$ 0.20/Each	Large Format Copies	\$ 1.00/S.F.
Photo Copies (B&W 11"x17")	\$ 0.35/Each	Mileage	\$ 0.65/Mile
Color Copies (up to 8.5"x11")	\$ 1.50/Each	Compact Disks.....	\$10.00/Each
Color Copies (to 11"x17")	\$ 2.50/Each		

NOTE: All rates are effective to November 1, 2010. There will be a negotiated increase in rates, 5% minimum per year, for contracts extending beyond October 31, 2010.

* Four hour minimum

EXHIBIT "E"

WORKERS' COMPENSATION INSURANCE CERTIFICATION
2010 CAPITAL IMPROVEMENTS PROGRAM
WATER PIPELINE REPLACEMENT PROJECT

Every employer except the State, shall secure the payment of compensation in one or more of the following ways:

- (a) By being insured against liability to pay compensation in one or more insurer duly authorized to write compensation insurance in this State.
- (b) By securing from the Director of Industrial Relations, a certificate of consent to self-insure, either as an individual employer or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.

I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code §1861).

RCE Consultants, Inc.

Date: _____

By: _____

Richard L Clark, P.E.