

PROFESSIONAL SERVICES CONTRACT BETWEEN  
THE CITY OF HUNTINGTON BEACH AND  
CANNON CORPORATION  
FOR  
ON-CALL DEVELOPMENT REVIEW ENGINEERING AND  
PROFESSIONAL CONSULTING SERVICES

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of Huntington Beach, a municipal corporation of the State of California, hereinafter referred to as "CITY," and Cannon Corporation, a California Corporation hereinafter referred to as "CONSULTANT."

WHEREAS, CITY desires to engage the services of a consultant to provide on-call development review engineering and professional consulting services; and

Pursuant to documentation on file in the office of the City Clerk, the provisions of the Huntington Beach Municipal Code, Chapter 3.03, relating to procurement of professional service contracts have been complied with; and

CONSULTANT has been selected to perform these services,

NOW, THEREFORE, it is agreed by CITY and CONSULTANT as follows:

1. SCOPE OF SERVICES

CONSULTANT shall provide all services as described in **Exhibit "A,"** which is attached hereto and incorporated into this Agreement by this reference. These services shall sometimes hereinafter be referred to as the "PROJECT."

CONSULTANT hereby designates Larry Kraemer, who shall represent it and be its sole contact and agent in all consultations with CITY during the performance of this Agreement.

2. CITY STAFF ASSISTANCE

CITY shall assign a staff coordinator to work directly with CONSULTANT in the performance of this Agreement.

3. TERM; TIME OF PERFORMANCE

Time is of the essence of this Agreement. The services of CONSULTANT are to commence on \_\_\_\_\_, 20\_\_\_\_ (the "Commencement Date"). This Agreement shall automatically terminate three (3) years from the Commencement Date, unless extended or sooner terminated as provided herein. All tasks specified in **Exhibit "A"** shall be completed no later than one year from the Commencement Date. The time for performance of the tasks identified in **Exhibit "A"** are generally to be shown in **Exhibit "A."** This schedule may be amended to benefit the PROJECT if mutually agreed to in writing by CITY and CONSULTANT.

In the event the Commencement Date precedes the Effective Date, CONSULTANT shall be bound by all terms and conditions as provided herein.

4. COMPENSATION

In consideration of the performance of the services described herein, CITY agrees to pay CONSULTANT on a time and materials basis at the rates specified in **Exhibit "B,"** which is attached hereto and incorporated by reference into this Agreement, a fee, including all costs and expenses, not to exceed Five Hundred Thousand Dollars (\$500,000).

5. EXTRA WORK

In the event CITY requires additional services not included in **Exhibit "A"** or changes in the scope of services described in **Exhibit "A,"** CONSULTANT will undertake such work only after receiving written authorization from CITY. Additional compensation for such extra work shall be allowed only if the prior written approval of CITY is obtained.

6. METHOD OF PAYMENT

CONSULTANT shall be paid pursuant to the terms of **Exhibit "B."**

7. DISPOSITION OF PLANS, ESTIMATES AND OTHER DOCUMENTS

CONSULTANT agrees that title to all materials prepared hereunder, including, without limitation, all original drawings, designs, reports, both field and office notices, calculations, computer code, language, data or programs, maps, memoranda, letters and other documents, shall belong to CITY, and CONSULTANT shall turn these materials over to CITY upon expiration or termination of this Agreement or upon PROJECT completion, whichever shall occur first. These materials may be used by CITY as it sees fit.

8. HOLD HARMLESS

A. CONSULTANT hereby agrees to protect, defend, indemnify and hold harmless CITY, its officers, elected or appointed officials, employees, agents and volunteers from and against any and all claims, damages, losses, expenses, judgments, demands and defense costs (including, without limitation, costs and fees of litigation of every nature or liability of any kind or nature) arising out of or in connection with CONSULTANT's (or CONSULTANT's subcontractors, if any) negligent (or alleged negligent) performance of this Agreement or its failure to comply with any of its obligations contained in this Agreement by CONSULTANT, its officers, agents or employees except such loss or damage which was caused by the sole negligence or willful misconduct of CITY. CONSULTANT will conduct all defense at its sole cost and expense and CITY shall approve selection of CONSULTANT's counsel. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as limitation upon the amount of indemnification to be provided by CONSULTANT.

B. To the extent that CONSULTANT performs "Design Professional Services" within the meaning of Civil Code Section 2782.8, then the following Hold Harmless provision applies in place of subsection A above:

“CONSULTANT hereby agrees to protect, defend, indemnify and hold harmless CITY and its officers, elected or appointed officials, employees, agents and volunteers, from and against any and all claims, damages, losses, expenses, demands and defense costs (including, without limitation, costs and fees of litigation of every nature or liability of any kind or nature) to the extent that the claims against CONSULTANT arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of CONSULTANT. In no event shall the cost to defend charged to CONSULTANT exceed CONSULTANT’s proportionate percentage of fault. However, notwithstanding the previous sentence, in the event one or more other defendants to the claims and/or litigation is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, CONSULTANT shall meet and confer with CITY and other defendants regarding unpaid defense costs. The duty to indemnify, including the duty and the cost to defend, is limited as provided in California Civil Code Section 2782.8.

C. Regardless of whether subparagraph A or B applies, CITY shall be reimbursed by CONSULTANT for all costs and attorney’s fees incurred by CITY in enforcing this obligation. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONSULTANT.

9. PROFESSIONAL LIABILITY INSURANCE

CONSULTANT shall obtain and furnish to CITY a professional liability insurance policy covering the work performed by it hereunder. This policy shall provide coverage for CONSULTANT’s professional liability in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence and in the aggregate. The above-mentioned insurance shall not contain a self-insured retention without the express written consent of CITY; however an insurance

policy "deductible" of Ten Thousand Dollars (\$10,000.00) or less is permitted. A claims-made policy shall be acceptable if the policy further provides that:

- A. The policy retroactive date coincides with or precedes the initiation of the scope of work (including subsequent policies purchased as renewals or replacements).
- B. CONSULTANT shall notify CITY of circumstances or incidents that might give rise to future claims.

CONSULTANT will make every effort to maintain similar insurance during the required extended period of coverage following PROJECT completion. If insurance is terminated for any reason, CONSULTANT agrees to purchase an extended reporting provision of at least two (2) years to report claims arising from work performed in connection with this Agreement.

If CONSULTANT fails or refuses to produce or maintain the insurance required by this section or fails or refuses to furnish the CITY with required proof that insurance has been procured and is in force and paid for, the CITY shall have the right, at the CITY's election, to forthwith terminate this Agreement. Such termination shall not effect Consultant's right to be paid for its time and materials expended prior to notification of termination. CONSULTANT waives the right to receive compensation and agrees to indemnify the CITY for any work performed prior to approval of insurance by the CITY.

#### 10. CERTIFICATE OF INSURANCE

Prior to commencing performance of the work hereunder, CONSULTANT shall furnish to CITY a certificate of insurance subject to approval of the City Attorney evidencing the foregoing insurance coverage as required by this Agreement; the certificate shall:

- A. provide the name and policy number of each carrier and policy;
- B. state that the policy is currently in force; and

- C. shall promise that such policy shall not be suspended, voided or canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice; however, ten (10) days' prior written notice in the event of cancellation for nonpayment of premium.

CONSULTANT shall maintain the foregoing insurance coverage in force until the work under this Agreement is fully completed and accepted by CITY.

The requirement for carrying the foregoing insurance coverage shall not derogate from CONSULTANT's defense, hold harmless and indemnification obligations as set forth in this Agreement. CITY or its representative shall at all times have the right to demand the original or a copy of the policy of insurance. CONSULTANT shall pay, in a prompt and timely manner, the premiums on the insurance hereinabove required.

11. INDEPENDENT CONTRACTOR

CONSULTANT is, and shall be, acting at all times in the performance of this Agreement as an independent contractor herein and not as an employee of CITY. CONSULTANT shall secure at its own cost and expense, and be responsible for any and all payment of all taxes, social security, state disability insurance compensation, unemployment compensation and other payroll deductions for CONSULTANT and its officers, agents and employees and all business licenses, if any, in connection with the PROJECT and/or the services to be performed hereunder.

12. TERMINATION OF AGREEMENT

All work required hereunder shall be performed in a good and workmanlike manner. CITY may terminate CONSULTANT's services hereunder at any time with or without cause, and whether or not the PROJECT is fully complete. Any termination of this Agreement by CITY shall be made in writing, notice of which shall be delivered to CONSULTANT as provided herein. In the

event of termination, all finished and unfinished documents, exhibits, report, and evidence shall, at the option of CITY, become its property and shall be promptly delivered to it by CONSULTANT.

13. ASSIGNMENT AND DELEGATION

This Agreement is a personal service contract and the work hereunder shall not be assigned, delegated or subcontracted by CONSULTANT to any other person or entity without the prior express written consent of CITY. If an assignment, delegation or subcontract is approved, all approved assignees, delegates and subconsultants must satisfy the insurance requirements as set forth in Sections 9 and 10 hereinabove.

14. COPYRIGHTS/PATENTS

CITY shall own all rights to any patent or copyright on any work, item or material produced as a result of this Agreement.

15. CITY EMPLOYEES AND OFFICIALS

CONSULTANT shall employ no CITY official nor any regular CITY employee in the work performed pursuant to this Agreement. No officer or employee of CITY shall have any financial interest in this Agreement in violation of the applicable provisions of the California Government Code.

16. NOTICES

Any notices, certificates, or other communications hereunder shall be given either by personal delivery to CONSULTANT's agent (as designated in Section 1 hereinabove) or to CITY as the situation shall warrant, or by enclosing the same in a sealed envelope, postage prepaid, and depositing the same in the United States Postal Service, to the addresses specified below. CITY and CONSULTANT may designate different addresses to which subsequent notices, certificates or other communications will be sent by notifying the other party via personal delivery, a reputable overnight carrier or U. S. certified mail-return receipt requested:

TO CITY:

City of Huntington Beach  
ATTN: Debbie Debow  
2000 Main Street  
Huntington Beach, CA 92648

TO CONSULTANT:

CANNON CORPORATION.  
ATTN: Larry Kraemer  
1050 Southwood Drive  
San Luis Obispo, CA 93401

17. CONSENT

When CITY's consent/approval is required under this Agreement, its consent/approval for one transaction or event shall not be deemed to be a consent/approval to any subsequent occurrence of the same or any other transaction or event.

18. MODIFICATION

No waiver or modification of any language in this Agreement shall be valid unless in writing and duly executed by both parties.

19. SECTION HEADINGS

The titles, captions, section, paragraph and subject headings, and descriptive phrases at the beginning of the various sections in this Agreement are merely descriptive and are included solely for convenience of reference only and are not representative of matters included or excluded from such provisions, and do not interpret, define, limit or describe, or construe the intent of the parties or affect the construction or interpretation of any provision of this Agreement.

20. INTERPRETATION OF THIS AGREEMENT

The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. If any provision of this Agreement is held by an arbitrator or court of competent jurisdiction to be unenforceable, void, illegal or invalid, such holding shall not invalidate or affect the remaining covenants and provisions of this Agreement. No covenant or provision shall be deemed dependent upon any other unless so expressly provided here. As used in this Agreement, the masculine or



neuter gender and singular or plural number shall be deemed to include the other whenever the context so indicates or requires. Nothing contained herein shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provision contained herein and any present or future statute, law, ordinance or regulation contrary to which the parties have no right to contract, then the latter shall prevail, and the provision of this Agreement which is hereby affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law.

21. DUPLICATE ORIGINAL

The original of this Agreement and one or more copies hereto have been prepared and signed in counterparts as duplicate originals, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original. Each duplicate original shall be deemed an original instrument as against any party who has signed it.

22. IMMIGRATION

CONSULTANT shall be responsible for full compliance with the immigration and naturalization laws of the United States and shall, in particular, comply with the provisions of the United States Code regarding employment verification.

23. LEGAL SERVICES SUBCONTRACTING PROHIBITED

CONSULTANT and CITY agree that CITY is not liable for payment of any subcontractor work involving legal services, and that such legal services are expressly outside the scope of services contemplated hereunder. CONSULTANT understands that pursuant to *Huntington Beach City Charter* Section 309, the City Attorney is the exclusive legal counsel for CITY; and CITY shall not be liable for payment of any legal services expenses incurred by CONSULTANT.

24. ATTORNEY'S FEES

In the event suit is brought by either party to construe, interpret and/or enforce the terms and/or provisions of this Agreement or to secure the performance hereof, each party shall bear its own attorney's fees, such that the prevailing party shall not be entitled to recover its attorney's fees from the nonprevailing party.

25. SURVIVAL

Terms and conditions of this Agreement, which by their sense and context survive the expiration or termination of this Agreement, shall so survive.

26. GOVERNING LAW

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

27. SIGNATORIES

Each undersigned represents and warrants that its signature hereinbelow has the power, authority and right to bind their respective parties to each of the terms of this Agreement, and shall indemnify CITY fully for any injuries or damages to CITY in the event that such authority or power is not, in fact, held by the signatory or is withdrawn.

28. ENTIRETY

The parties acknowledge and agree that they are entering into this Agreement freely and voluntarily following extensive arm's length negotiation, and that each has had the opportunity to consult with legal counsel prior to executing this Agreement. The parties also acknowledge and agree that no representations, inducements, promises, agreements or warranties, oral or otherwise, have been made by that party or anyone acting on that party's behalf, which are not embodied in this Agreement, and that that party has not executed this Agreement in reliance on any representation, inducement, promise, agreement, warranty, fact or circumstance not expressly set forth in this

Agreement. This Agreement, and the attached exhibits, contain the entire agreement between the parties respecting the subject matter of this Agreement, and supersede all prior understandings and agreements whether oral or in writing between the parties respecting the subject matter hereof.

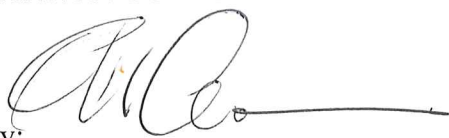
29. EFFECTIVE DATE

This Agreement shall be effective on the date of its approval by the City Council.

This Agreement shall expire when terminated as provided herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their authorized officers.

CONSULTANT,  
CANNON CORPORATION

By:   
\_\_\_\_\_

Michael F. Cannon

print name

ITS: (circle one) Chairman President Vice President

AND

By:   
\_\_\_\_\_

Lawrence P. Kraemer

print name

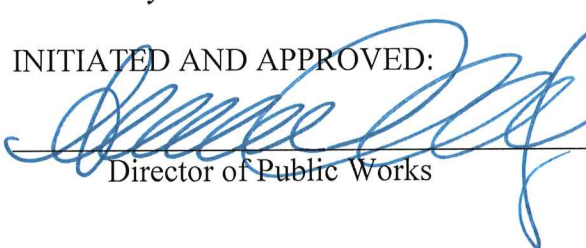
ITS: (circle one) Secretary Chief Financial Officer/Asst.  
Secretary - Treasurer

CITY OF HUNTINGTON BEACH, a  
municipal corporation of the State of  
California

\_\_\_\_\_  
Mayor

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

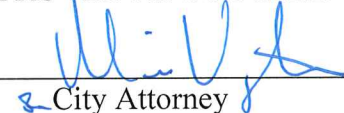
INITIATED AND APPROVED:

  
\_\_\_\_\_  
Director of Public Works

REVIEWED AND APPROVED:

\_\_\_\_\_  
City Manager

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney

# EXHIBIT A

## UNDERSTANDING AND METHODOLOGY

Cannon is a full-service engineering, surveying, and construction management firm with over 135 leaders and technical specialists. The City can draw from our development review engineering and professional consulting services. As the City requires expertise and resources from multiple disciplines to address the services from the RFQ.

### Understanding

Cannon understands that the general development plan check review services include review of the conditions of approval, review of reference material, review of agency/municipality standard plans and plan check requirements, accessibility, constructability/clarity, maintenance, and general design. We understand that there may be a schedule of turnaround time-frames, as established by the City, and we will strive to not exceed the City's predetermined total plan check cycles.

Cannon understands that development review plan check services will be performed by or under the responsible charge of a California licensed professional engineer eligible to prepare and sign such plans.

### Methodology

Cannon's approach to project review success in providing exceptional development plan check services to the City encompasses many facets of teamwork, communication, quality control/quality assurance, project understanding and intent, budget constraints, close coordination with City's staff, utility purveyors and any other stakeholders that may be affected by the designated project within this contract.

At the top of this important list of factors that will lead to project success is effective communication between our internal review team and the City's Project Manager and staff. This is to confirm that we provide the City with the support they are looking to reduce the impact to politically sensitive areas or disruption to the general public's ability to navigate within City's proposed project limits. The closest possible rapport will be developed with the City's Project Manager to understand special budget constraints, time schedules,

and associated impacts. Building on excellent communications will allow us to more easily define problem areas, technical requirements, and to facilitate a smooth review and approval process.

Within our highly skilled staff of engineers, project managers, QA/QC team, and constructability reviewers are personnel that take their chosen profession very seriously. This team strives for the highest quality of service for each project review. Our plan check engineers are also experienced designers that utilize local, regional, and other applicable design standards on a day-to-day basis, so we can confirm the improvement plans and associated reports and documents will meet the current applicable codes and standards.

As part of our project controls, Cannon will scan plan checks for record keeping purposes until plans receive final approval by the City. A record of when plans are received and returned to the City will also be kept in our plan check log. Excellent communications will allow us to define questionable areas, technical requirements, and to facilitate a smooth review and approval recommendation process.

Cannon has gained an understanding of the potential scope of work for this project from our prior experience, which includes rough grading, precise grading, hydrology and hydraulics, street improvements, street lighting, erosion control, SWPPP, lot line adjustments, utility easements, map recordation, etc. General plan checking review services will include review of the conditions of approval, review of reference material, review of agency and municipality standard plans and plan check requirements, accessibility, constructability, maintenance, and general design.

Extensive coordination is required between the different City departments and engineer of record to confirm quick turnaround times. We, as the City's Plan Check Engineer, will do everything possible to expedite the services process. Cannon understands plan checking will follow a set schedule of turnaround time-frames as established by the City and will strive to not exceed City's predetermined number of total plan

check cycles. Should an occasion arise where a plan check is expected to exceed the City's predetermined number of cycles, Cannon will inform the City's engineering staff and a meeting will be coordinated by the City with Cannon and the developer to resolve outstanding issues.

## **Development Plan Checking and Entitlement Review Services**

Cannon also understands that, at a minimum, plan check services will be provided in conformance with the most current version of the following documents and standards as applicable:

- City of Huntington Beach Standard Plans
- Standard Plans, Landscape Standard Plans, Grading Ordinance and Grading Plan Check Requirements
- California Building Codes related to site accessibility
- Orange County Hydrology Manual
- Orange County Local Drainage Manual
- County of Orange Standard Plans
- Standard Specifications for Public Works Construction, BNI
- Standard Plans for Public Works Construction, BNI
- FEMA Guidelines
- ADA Standards for Accessible Design
- LID component of the National Pollutant Discharge Elimination System (NPDES) Permit
- Approved Specific Plans, Site Plans, Environmental Documents, and/or Tentative and Final Maps
- Traverse, Lot and Tract Boundary Closures for final or parcel maps
- Subdivision Map Act
- Grants, easements, or vacations as applicable
- Conditions of Approval and Title Reports
- Orange County Regional Board NPDES permit
- Model WQMP
- Orange County Technical Guidance Document

## **Facilitating the Plan Check Process**

We understand the concern, need, and desire to potentially complete plan checks within a certain number of plan check cycles. It has been our experience that when three plan checks or more are required, there is potentially an issue or concern that has not been addressed up front or there has been a breakdown in communication. We have experienced success in the past by implementing the following approach:

- Timely and complete technical reviews of the submitted plans and associated reports.
- Sound record keeping and documentation of when plan reviews are submitted, and returned, correspondence files, meeting minutes (if necessary), plan check mark-ups and reference materials. When plan corrections are required, a written plan correction list will be provided to the applicant, or the applicant's agent(s).
- Upon the City's permission, communication between plan reviewer(s) and the Engineer/Architect of Record through phone calls, e-mails, faxes and/or plan check review meetings, will occur as needed. Keeping our client and the project owners informed through CC's of review memo's, e-mails, and plan check logs.

## **Record Keeping and Reporting**

Through years of experience, we have developed streamlined procedures that produce timely, accurate, and consistent plan reviews. Improvement Plans submitted will be logged into a plan check log. The plan check log tracks the engineer of record, types of improvement plans submitted, date submitted, due date to be completed, and any significant comments or submittal requirements outstanding for that plan review. Cannon will provide regular updates (and as requested by the City) of the status of plan reviews to report progress and anticipated return dates of outstanding plan check projects.

## **Turnaround Time**

Plan review turnaround timeframes will vary with the complexity or scope of the project. Upon our initial review of the plan check package that arrives at our office, if additional time is determined upon our review, we will contact the City's Project Manager to provide an explanation for the request for time extension and obtain approval (if necessary).

Expedited reviews, although not typical, are anticipated and we are open to having discussions with the City and executing these types of reviews, if necessary. It is noted that the City's website currently states the City is not accepting requests for expedited plan check services.

## **Potential Scope of Services**

### **Grading Plans**

Cannon will perform review of rough grading plans for substantial conformance to the approved documents from the entitlement process, including but not limited to tentative map, drainage concepts (hydrology and hydraulics), Preliminary Water Quality Management Plan, etc. Review of precise grading plans consists of verification of detailed finish grade elevations to show drainage patterns, flow lines for lot drainage, proposed paving, and that grading plans are signed and sealed by a Registered Civil Engineer, and may also include identifying previous preliminary grading permits issued for the project site.

### **Development Plans/Permit Applications**

Cannon will review and provide comments and recommendations for approval development plans, permit applications, and associated studies. We have experience plan checking improvements including, but not limited to, the following: street, ADA, drainage, hydrology and hydraulics, grading (both rough and precise), erosion and sediment control, sanitary sewer, other joint utility, street lighting, and water quality.

Coordination is closely monitored by Cannon throughout the plan check process, including the use of plan check logs, timely City communication, and electronic file sharing and team communication tools. Additional details for a few of the plan check review types follows below.

### **Entitlement Review**

Cannon will review project "Development Review Request" and prepare suggested Code Requirements and Conditions of Approval for City staff, Planning Commission and/or City Council approval.

### **Subdivision Maps**

Easements and Right-Of-Way Dedications, Lot Line Adjustments, Tract and Parcel Maps, Topographic and Field Survey Data, Title and Closure Reports: Cannon

will provide review of subdivision improvement projects, which would include review of easements and right-of-way dedications; lot line adjustments; tract and parcel maps; title and closure reports; and applicable plans and recommendations, as well as any other related reports and recommendations to confirm constructability considering site constraints, design requirements, and existing conditions. Typically, tasks would include initial site assessments, review of plans, and review of reports.

### **Hydrology and Hydraulics**

Cannon will provide preliminary design review of hydrology/hydraulics technical reports for proposed private development projects, and attend City design review meetings as necessary. Cannon will apply our current plan check experience on drainage projects with the City's specific requirements, such as 1) verifying the new site development will not place additional stress on the existing drainage system, 2) verify storm frequency of 100 years will not exceed the ultimate street right-of-way and 3) sump conditions will carry a 100-year storm frequency and have a secondary "emergency overflow" outlet. Additionally, we will verify proposed finished floor elevation of residential buildings are at a minimum of one foot higher than a 100-year flood.

### **Utility Permit Review**

Cannon will maintain our approach to utility plan check review of dry utilities for permit approval, which we're currently performing for the City. This approach consists of: 1) utilizing the City's internal utility plan check log to document plan intakes; 2) utilize the City's GIS and Laserfiche system to confirm City utilities, such as water and sewer, are shown on the utility plans match the City's record information/drawings; 3) review utility plans to verify no conflict with other utilities, verify conduits are placed under the sidewalk instead of the street, verify installation of conduits are done via directional bore instead of open trench, and verify compliance with City standards, such as City standard 109; 4) verify the street is not under the City's three year moratorium. Excavation not allowed in the 12 months of the 36 month moratorium; and 4) interdepartmental coordination with the City's traffic department (Darren Sam) to confirm that all plan submittals include a traffic control plan, water department (Lili Hernandez) and construction manager (Joe Dale). For electronic plan submittals, Cannon

utilizes Bluebeam to provide red-line markups on the PDF plans. We will continue to coordinate with utility companies such as MCI, Crown Castle Fiber, SCE, SoCal Gas, Frontier, AT&T, Verizon, and Spectrum. We will be the main point-of-contact with utility designers during the plan check process. We will visit the site on an as-needed basis to confirm existing site conditions.

### **Street Improvement Plans**

Cannon will review street improvement plans, provide comments and recommend for approval. We will check for compliance with City adopted standard drawings, specifications, ADA standards and applicable regulations using Cannon's in-house plan check list or as provided by City staff. Services will include initial and subsequent reviews, full or partial plan review services, interaction with the City and recommendations to the City staff for final approval. To confirm adequate document preparation, we will attend project status meetings with the City staff (upon request) and with others as required to discuss status and/or details of the project.

### **Water and Sewer Plans**

Cannon will perform review of wet utility plans, consisting of sewer, water and storm drain. This included, but is not limited to, verifying conformance to the City design standards, constructability of the proposed wet utility design improvements considering site constraints, design requirements, corrosion protection requirements, existing conditions, confirm labels and calculations of pipe slopes, pipe size, material and hydraulic data. Additional items for review include, verification of basic separation standards for water mains and sanitary sewers/storm drains in compliance with the California Waterworks Standards and California Department of Public Health criteria to prevent contamination of the public water supplies, verification of pressure zone boundaries, if necessary, for water improvements, confirmation of existing storm drain and sewer structure capacities, identify potential utility conflicts, and compare manhole rim elevation versus pad elevations.

### **Water Quality Management Plans (WQMP)**

Cannon will review the WQMP Report submittals to confirm compliance with the 2011 Orange County Model Water Quality Management Plan (Model WQMP), the 2013 Orange County Technical Guidance Document (TGD) and local jurisdictional runoff management program. Our review of each WQMP submittal will consist of identifying the process that Permittees will employ for developing a Water Quality Management Plan for new development and significant redevelopment projects

We review each project proponent to implement a program that requires structural Best Management Practices (BMPs) on all Priority Development Projects to be designed, constructed, and maintained to remove pollutants in storm water to meet the criteria set forth in the Model WQMP, TGD, and any existing Hydromodification Management Plan (HMP).

Our review will include, but not be limited to the following:

- Correctness of project address, description, site information, the owner's information or the person signing for the certification of ownership
- Verify the Condition of Approval is addressed in the proposed WQMP Report
- Confirm if Hydrologic Condition of Concern (HCOC) exists and verify the receiving waters
- Verify the Potential Stormwater Pollutants on the project
- Verify LID BMP selection and project conformance analysis
- Conform LID BMPs follow the hierarchy of infiltration, evapotranspiration, harvest/re-use, and biotreatment
- Verify that Non-Structural and Structural Source Control BMPs are incorporated in the report and onto WQMP Site Plan
- Verify if the project qualifies for Water Quality Credits
- Confirm that BMP Inspection and Maintenance Schedule are listed, and the Responsible Party and the minimum frequency of activities are tabulated in the report
- Verify that the final Submittal for Recordation of WQMP Report includes all necessary documents



## Quality Assurance/Quality Control

With your project's main plan check objectives in mind, our Project Manager will implement Cannon's Quality Assurance/Quality Control Program. Cannon has earned a strong reputation for product delivery and professional service. We have built and continue to develop internal control processes that incorporate peer review and progress reporting to help projects meet established design and review guidelines, remain within budget, and stay on schedule. We take a proactive approach to project management, with an emphasis on project and review process familiarity, open communication, quality and cost control, and project scheduling. Processes include a Work Product Review (WPR) Program, project "Look Backs," Project Progress Reviews, plan check checklists, and an Earned Value Analysis (EVA) program.

In addition, we employ cost savings strategies that have been effective in managing projects for public and private industry clients. These strategies may include: cost benefit analysis and value engineering reviews; alternative technologies review or innovative approach analysis; and the use of plan check review control logs.

Our work flow incorporates Quality Review processes to ensure compliance with standards, and that our engineering services are accurate, efficient, and fully meet our clients' expectations. We place an emphasis on "Getting it Right the First Time."

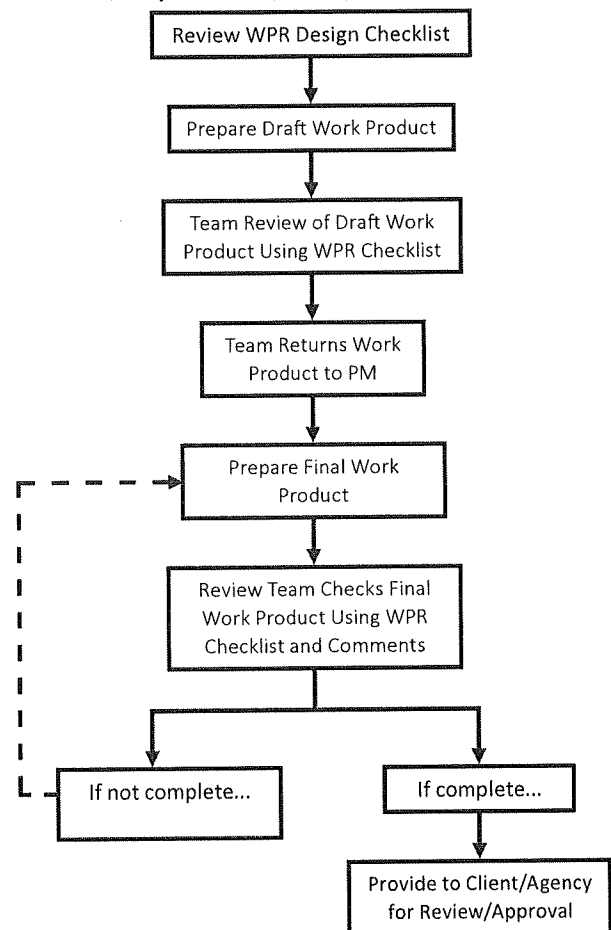
### Deliverables

We recognize the importance of providing accurate, detailed, and high quality deliverables. It is critical that plan check redlines and the comment letter clearly illustrate the necessary information to produce a successful project. Many of our Cannon design staff have also worked in our Construction Management Department, gaining meaningful insight on the importance of well-defined plans, specifications, and bid item quantities. Our Project "Look Backs" are not only conducted from the designer perspective, but also from our managers perspective, to further develop our design team's accuracy in work products.

### Deadlines and Schedules

Responsiveness and timeliness are qualities you deserve on every project. Our team of professionals will provide services to you that meet or exceed your expectations. We understand the importance of meeting project schedules and plan check deliverable deadlines.

#### Overview of Cannon's Quality Assurance/Quality Control Program



To assist in this area, Cannon uses Deltek Vision Management System as our accounting and project management database. With this system, we have detailed records of labor, subconsultant, and other direct costs and breakdowns by task and project milestones. The records are organized by project and project phase.

This software allows Cannon project managers to employ an Earned Value Analysis (EVA) program for many of our more complex projects. Budgets and progress are reviewed monthly and EVA's are performed as required by the project schedule: monthly, bi-weekly, or weekly. EVA is a method for managing projects based on the regular comparison of actual project costs to planned costs and to completed work. The phrase, earned value, comes from the concept that when a deliverable is completed, its value has been earned.



# EXHIBIT B



**Cannon**

## Hourly Rates

Effective January 1, 2021 through December 31, 2021

<u>PERSONNEL</u>	<u>HOURLY RATE</u>
Principal	\$255
Engineering Manager	\$240
Survey Manager	\$226
Senior Project Manager	\$220
Project Manager	\$210
Senior Associate Engineer	\$187
Associate Engineer	\$165
Senior Project Engineer	\$158
Project Engineer	\$144
Design Engineer	\$130
Engineering Assistant II	\$95
Engineering Assistant I	\$88
Project Designer	\$120
Senior Plan Check Engineer	\$172
Plan Check Engineer II	\$145
Plan Check Engineer I	\$130
Senior Land Surveyor	\$199
Land Surveyor III	\$176
Survey Technician IV-VI	\$ 145.00-165.00
Survey Technician I-III	\$110.00-135.00
2-Man Field Crew	\$255
2-Man Field Crew Prevailing Wage	\$295
Business Services Administrator I-II	\$95

The stated rates are subject to change, typically on an annual basis.

### REIMBURSABLE COSTS

- Including: reproductions; deliveries; travel; meals and lodging; facsimiles; models, renderings and photos; Mylars; and CDs, not included in scope of work.
- Reimbursable costs will be billed at cost plus 15%
- Automation & Electrical Materials will be billed at cost plus 10%.
- Subconsultant fees will be billed at cost plus 10%.
- Standard Mileage will be billed at the current IRS standard mileage rate Airplane Mileage will be billed at the current GSA rate per mile.
- If the client requests, or the client's schedule requires work to be done on an overtime basis, a multiplier of 1.5 will be applied to the stated rates for weekdays for daily hours in excess of 8 as well as weekends and a multiplier of 2.0 for daily hours in excess of 12 and holidays.
- If the client requests field services to be provided outside of normal working hours (between 6:00 p.m. and 6:00 a.m.), a multiplier of 1.5 will be applied to the stated rates. For prevailing wage projects, if the client requests field services to be provided on any given Sunday, a multiplier of 2.0 will be applied to the stated rates and on or around an observed holiday, other rates may be applied.
- Survey Crews and Automation Field staff are billed portal to portal, and mileage charges are included in the hourly rate. A minimum charge of 4 hours will be charged for any Automation Field Service calls outside of normal working hours (between 6:00 p.m. and 6:00 a.m.).



**SCHEDULE OF HOURLY RATES**  
**Effective January 1, 2020**

President	\$ 275
Vice President	\$ 250
Director of Project Development	\$ 250
Principal Transportation Engineer	\$ 225
Senior Transportation Engineer	\$ 200
Senior Design Engineer/Senior Project Development Manager	\$ 185
Advanced System Integrator	\$ 180
Senior Associate/Senior Project Engineer	\$ 175
Transportation Engineer/System Integrator	\$ 170
Senior Signal Systems Specialist/Construction Inspector	\$ 165
Design Engineer/ Signal Systems Specialist	\$ 150
Associate Transportation Engineer III	\$ 140
Associate Transportation Engineer II	\$ 135
Associate Transportation Engineer I	\$ 125
Project Coordinator	\$ 120
Associate Engineer II	\$ 115
CADD Operator/Associate Engineer I	\$ 110
Assistant Transportation Engineer/Assistant Project Coordinator	\$ 90
Traffic Enumerator, Engineering Aide II	\$ 75
Engineering Aide I	\$ 50
Council/Commission Meetings, Hearings, etc. (Billing Rate + \$50 Surcharge)	\$ 1,000
Expert Witness (Billing Rate + \$50 Surcharge)	\$ 1,000
Expert Witness - Deposition/Court (Billing Rate + \$100 Surcharge)	\$ 1,000
Subconsultants will be billed at cost plus 20%	

***Conditions of Usage:** The above rates are typically effective for a 12-month period, but AGA maintains the right to change the billing rates at any time for convenience of record keeping. Therefore, all billings will always be at the then current billing rates. This will not affect any agreed upon total or not-to-exceed fees.*

INVOICES WILL BE SUBMITTED MONTHLY AND SHALL BE DUE AND PAYABLE WITHIN 30 DAYS. FINANCE CHARGES MAY BE ACCRUED DAILY ON UNPAID BALANCES BASED ON A 10% ANNUAL PERCENTAGE RATE.

**TRANSPORTATION CONSULTING ENGINEERS**

211 E. Imperial Hwy., Suite 208, Fullerton, CA 92835  
(714) 992-2990 FAX (714) 992-2883 E-Mail: aga@albertgrover.com

**FEE SCHEDULE**

**JANUARY 2020**

**SERVICES**

**Geotechnical Engineering**

LOR Geotechnical Group, Inc. provides geotechnical engineering services, including: preliminary geotechnical investigations, foundation investigations, percolation feasibility investigations, liquefaction evaluation investigations, as well as grading observation materials testing services.

**Geological**

LOR Geotechnical Group, Inc. provides geological services, engineering geology investigations, seismic setting studies, slope stability investigations, liquefaction susceptibility investigations, hydrology/water resource studies, and bedrock rippability evaluations.

**Environmental**

LOR Geotechnical Group, Inc. provides, environmental site assessments, underground storage tank investigations and remediation investigations, groundwater monitoring systems, soil and groundwater sampling and analysis, and environmental studies for property transfers.

All costs for Geotechnical Engineering, Geological, and Environmental Services are based on the site and investigative parameters requested.

**FEES**

The hourly personnel charges and laboratory test unit rates are as follows:

**Personnel Charges-Hourly**

Principal Engineer	\$250.00
Project Engineer/Geologist	\$145.00
Staff Engineer/Geologist	\$120.00
Soil Technician/Deputy Inspector (Field or Laboratory) *	\$90.00
Soil Technician/Deputy Inspector (Prevailing Wage) *	\$114.00
Traffic Control (Prevailing Wage) *	\$104.00
Drafting	\$85.00
Clerical	\$70.00

**Laboratory Testing Charges - Unit Costs**

CT 202: Sieve Analysis (Soil)	\$85.00
CT 202: Sieve Analysis (Aggregate)	\$110.00
CT 202: #200 Sieve Wash	\$60.00
CT 205: Crushed Particle Analysis	\$120.00
CT 211: LA Rattler	\$220.00
CT 213: Organic Impurities	\$75.00
CT 217: Sand Equivalent	\$100.00
CT 217: Sand Equivalent -QC	\$120.00
CT 226: Moisture Content	\$25.00
CT 227: Cleanness Value	\$120.00
CT 229: Durability Index Fine/Coarse	\$230.00
CT 301: R-Value	\$300.00
CT 305: Swell Tests	\$90.00
CT 307: Moisture Vapor Susceptibility	\$160.00

CT 308 & CT 366: Asphalt Concrete Density & Stability/Rubberized . . . . .	\$200.00/\$250.00
CT 308: Asphalt Concrete Density/Rubberized . . . . .	\$120.00/\$170.00
CT 309: Asphalt Concrete Theoretical Maximum Density . . . . .	\$130.00
CT 366: Asphalt Concrete Stability/Rubberized . . . . .	\$180.00/\$220.00
CT 382: Asphalt Extraction & Gradation . . . . .	\$240.00
CT 521: Concrete Cylinder Compressive Strength . . . . .	\$25.00
CT 523: Beam Cylinder . . . . .	\$65.00
Concrete & Beam Cylinder Hold . . . . .	\$5.00
ASTM D422: Mechanical Analysis . . . . .	\$200.00
ASTM D1557: (Modified)/ ASTM D698: (Standard) Proctor (4") . . . . .	\$160.00
ASTM D1557: (Modified)/ ASTM D698: Proctor (6" or Cal-216) . . . . .	\$190.00
ASTM D2434: Permeability . . . . .	\$350.00
ASTM D2435: Consolidation . . . . .	\$210.00
ASTM D5333: Collapse Potential . . . . .	\$180.00
ASTM D2216: Moisture Content . . . . .	\$25.00
ASTM D221/D2937: Moisture/Unit Weight (Ring) . . . . .	\$30.00
ASTM D2974: Organic Matter Test . . . . .	\$80.00
ASTM D4318: Atterberg Limits . . . . .	\$180.00
ASTM D4829: Expansion Index . . . . .	\$160.00
ASTM D3080: Direct Shear . . . . .	\$240.00
Soluble Sulfate: (Test Kit SF-1) . . . . .	\$65.00

\* 10% field supervision and equipment/vehicle charge will be added to all field services.

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## TERMS

### Reimbursable Expenses

Outside services performed by others and direct costs expended on the client's behalf are charged at cost plus twenty percent. These expenses include rental of drill rigs, bulldozers, backhoes, travel and subsistence, permits, reproduction costs, etc.

### Travel Time

Travel time required to provide professional or technical services will be charged at the appropriate hourly rates.

### Overtime

An overtime rate of 1.5 times the standard rate will be used for time in excess of 8 hours per day and Saturdays. An overtime rate of 2.0 times the standard rate will be added for work on Sundays, official company holidays, and on all work in excess of 12 hours per day.

### Prepayments

A retainer of fifty percent of the total fee is required for all field studies. The balance of the fee must be paid at the time the report is released to the client.

### Billing

Billings will be provided periodically and will be classified by fee categories set forth above or as given by proposal.

### Terms of Payment

Invoices rendered for professional services are due upon presentation. A service charge of 1.5 percent, per month, may be charged on accounts not paid within thirty days to cover additional processing and carrying costs. Any attorney's fees or other costs incurred in collecting any delinquent account will be paid by the client.

## Susan Harris

---

**From:** Steve Tomasetti  
**Sent:** Sunday, January 24, 2021 10:53 AM  
**To:** Bob Stets; Sandy Hodge  
**Cc:** Yvonne Grieco; Gary Solsona; Effie Giordano  
**Subject:** RE: Need Contract Review by Friday 1/22/21 - City of Huntington Beach - #210134 - RFQ for On-Call Review Engineering (plan checks) & Professional Consulting Services

The endorsement allows us to show the lower deductible on the certificate

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

**From:** Bob Stets <BobS@CannonCorp.us>  
**Date:** 1/24/21 7:51 AM (GMT-08:00)  
**To:** Sandy Hodge <SandyH@CannonCorp.us>  
**Cc:** Yvonne Grieco <yvonneg@CannonCorp.us>, Gary Solsona <GaryS@CannonCorp.us>, Effie Giordano <EffieG@CannonCorp.us>, Steve Tomasetti <stevet@CannonCorp.us>  
**Subject:** Re: Need Contract Review by Friday 1/22/21 - City of Huntington Beach - #210134 - RFQ for On-Call Review Engineering (plan checks) & Professional Consulting Services

The agreement is fine and the requirement that the deductible in our professional liability policy not exceed \$10K is now met due to the attached endorsement added to our policy in Sept. 2020.

I don't know if this means we can request an insurance certificate with the lower deductible or whether the certificate will still show \$100K. If the latter, then we will need to send the endorsement to show we meet the requirement.

PS: Steve: if you know how this works let me know.

---

**From:** Sandy Hodge <SandyH@CannonCorp.us>  
**Sent:** Monday, January 18, 2021 3:02 PM  
**To:** Bob Stets <BobS@CannonCorp.us>  
**Cc:** Yvonne Grieco <yvonneg@CannonCorp.us>; Gary Solsona <GaryS@CannonCorp.us>; Effie Giordano <EffieG@CannonCorp.us>; Sandy Hodge <SandyH@CannonCorp.us>  
**Subject:** Need Contract Review by Friday 1/22/21 - City of Huntington Beach - #210134 - RFQ for On-Call Review Engineering (plan checks) & Professional Consulting Services

Hi Bob and Happy New Year,

Qualifications are due Thursday 1/28/21. I am sure they will want to wrap it up no later than Tuesday of next week so it can be delivered Wednesday.

*Best Regards,*

**Sandy Hodge**

*Business Services Administrator  
Public Infrastructure*

**Cannon**

1050 Southwood Drive, San Luis Obispo, CA 93401

T 805.544.7407 **D 805.503.4505**

F 805.503.4467 E [SandyH@CannonCorp.us](mailto:SandyH@CannonCorp.us)

[Cannon](#) | [Facebook](#) | [Twitter](#) | [LinkedIn](#)

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PROFESSIONAL SERVICES CONTRACT BETWEEN  
THE CITY OF HUNTINGTON BEACH AND

FOR

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# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/22/2021

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 have ADDITIONAL INSURED provisions or 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> Dealey, Renton & Associates P. O. Box 12675 Oakland CA 94604-2675		<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): 510-465-3090 FAX (A/C, No): 510-452-2193 E-MAIL ADDRESS: certificates@dealeyrenton.com	
<b>INSURED</b> Cannon Corporation 1050 Southwood Drive San Luis Obispo CA 93401		License#: 0020739 CANNCOR-02	
		<b>INSURER(S) AFFORDING COVERAGE</b>	
		<b>INSURER A:</b> Continental Insurance Company	
		<b>INSURER B:</b> Valley Forge Insurance Company	
		<b>INSURER C:</b> Hartford Casualty Insurance Company	
		<b>INSURER D:</b> Beazley Insurance Company Inc	
		<b>INSURER E:</b>	
		<b>INSURER F:</b>	

## COVERAGES

CERTIFICATE NUMBER: 1305805503

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 INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Contractual Liab <input type="checkbox"/> Included GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:	Y	Y	6079204724	9/1/2020	9/1/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY			APPROVED AS TO FORM By: <i>Scott Foley</i> MICHAEL E. GATES CITY ATTORNEY CITY OF HUNTINGTON BEACH			COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000	Y	Y	6079210751	9/1/2020	9/1/2021	EACH OCCURRENCE \$ 9,000,000 AGGREGATE \$ 9,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	57WEOL6H1H	9/1/2020	9/1/2021	PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Professional Liability			V27737190102	9/1/2020	9/1/2021	Limit Aggregate \$2,000,000 \$2,000,000

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

Umbrella Liability policy is a follow-form to underlying General Liability/Auto Liability/Employers Liability.  
All operations of the Named Insured.

The City of Huntington Beach, its officers, elected or appointed officials, employees agents, and volunteers are named as Additional Insured as respects General Liability as required per written contract or agreement. General Liability is Primary/Non-Contributory per policy form wording. Insurance coverage includes waiver of subrogation per the attached. Umbrella (or Excess) Liability policy is a follow-form to underlying General Liability/Employers Liability.

See Attached...

## CERTIFICATE HOLDER

## CANCELLATION 30 Day Notice of Cancellation

City of Huntington Beach 2000 Main Street Huntington Beach CA 92648	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 <i>Christine Sullivan</i>

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**ADDITIONAL REMARKS SCHEDULE**Page 1 of 1

AGENCY Dealey, Renton & Associates		NAMED INSURED Cannon Corporation 1050 Southwood Drive San Luis Obispo CA 93401
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

**ADDITIONAL REMARKS**

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Professional Liability deductible: \$10000 per claim.

**Blanket Additional Insured - Owners, Lessees or  
Contractors - with Products-Completed  
Operations Coverage Endorsement**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

It is understood and agreed as follows:

- I. **WHO IS AN INSURED** is amended to include as an **Insured** any person or organization whom you are required by **written contract** to add as an additional insured on this **coverage part**, but only with respect to liability for **bodily injury, property damage or personal and advertising injury** caused in whole or in part by your acts or omissions, or the acts or omissions of those acting on your behalf:
- A. in the performance of your ongoing operations subject to such **written contract**; or
  - B. in the performance of **your work** subject to such **written contract**, but only with respect to **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.
- II. But if the **written contract** requires:
- A. additional insured coverage under the 11-85 edition, 10-93 edition, or 10-01 edition of CG2010, or under the 10-01 edition of CG2037; or
  - B. additional insured coverage with "arising out of" language; or
  - C. additional insured coverage to the greatest extent permissible by law;
- then paragraph I. above is deleted in its entirety and replaced by the following:
- WHO IS AN INSURED** is amended to include as an **Insured** any person or organization whom you are required by **written contract** to add as an additional insured on this **coverage part**, but only with respect to liability for **bodily injury, property damage or personal and advertising injury** arising out of **your work** that is subject to such **written contract**.
- III. Subject always to the terms and conditions of this policy, including the limits of insurance, the Insurer will not provide such additional insured with:
- A. coverage broader than required by the **written contract**; or
  - B. a higher limit of insurance than required by the **written contract**.
- IV. The insurance granted by this endorsement 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**.
- V. Under **COMMERCIAL GENERAL LIABILITY CONDITIONS**, the Condition entitled **Other Insurance** is amended to add the following, which supersedes any provision to the contrary in this Condition or elsewhere in this **coverage part**:

CNA75079XX (10-16)

Page 1 of 2

VALLEY FORGE INSURANCE COMPANY

Insured Name: CANNON CORPORATION

Policy No: 6079204724

Endorsement No: 19

Effective Date: 09/01/2020



**Blanket Additional Insured - Owners, Lessees or  
Contractors - with Products-Completed  
Operations Coverage Endorsement****Primary and Noncontributory Insurance**

With respect to other insurance available to the additional insured under which the additional insured is a named insured, this insurance is primary to and will not seek contribution from such other insurance, provided that a **written contract** requires the insurance provided by this policy to be:

1. primary and non-contributing with other insurance available to the additional insured; or
2. primary and to not seek contribution from any other insurance available to the additional insured.

But except as specified above, this insurance will be excess of all other insurance available to the additional insured.

**VI. Solely with respect to the insurance granted by this endorsement, the section entitled COMMERCIAL GENERAL LIABILITY CONDITIONS is amended as follows:**

The Condition entitled **Duties In The Event of Occurrence, Offense, Claim or Suit** is amended with the addition of the following:

Any additional insured pursuant to this endorsement will as soon as practicable:

1. give the Insurer written notice of any **claim**, or any **occurrence** or offense which may result in a **claim**;
2. send the Insurer copies of all legal papers received, and otherwise cooperate with the Insurer in the investigation, defense, or settlement of the **claim**; and
3. make available any other insurance, and tender the defense and indemnity of any **claim** to any other insurer or self-insurer, whose policy or program applies to a loss that the Insurer covers under this **coverage part**. However, if the **written contract** requires this insurance to be primary and non-contributory, this paragraph 3. does not apply to insurance on which the additional insured is a named insured.

The Insurer has no duty to defend or indemnify an additional insured under this endorsement until the Insurer receives written notice of a **claim** from the additional insured.

**VII. Solely with respect to the insurance granted by this endorsement, the section entitled 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:

- A. is currently in effect or becomes effective during the term of this policy; and
- B. was executed prior to:
  1. the **bodily injury** or **property damage**; or
  2. the offense that caused the **personal and advertising injury**;for which the additional insured seeks coverage.

Any coverage granted by this endorsement shall apply solely to the extent permissible by law.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA75079XX (10-16)

Page 2 of 2

VALLEY FORGE INSURANCE COMPANY

Insured Name: CANNON CORPORATION

Policy No: 6079204724

Endorsement No: 19

Effective Date: 09/01/2020

**CNA PARAMOUNT****Waiver of Transfer of Rights of Recovery Against  
Others to the Insurer Endorsement**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE
<b>Name Of Person Or Organization:</b>
ANY PERSON OR ORGANIZATION WHOM THE NAMED INSURED HAS AGREED IN WRITING IN A CONTRACT OR AGREEMENT TO WAIVE SUCH RIGHTS OF RECOVERY, BUT ONLY IF SUCH CONTRACT OR AGREEMENT:
1. IS IN EFFECT OR BECOMES EFFECTIVE DURING THE TERM OF THIS COVERAGE PART; AND 2. WAS EXECUTED PRIOR TO THE BODILY INJURY, PROPERTY DAMAGE OR PERSONAL AND ADVERTISING INJURY GIVING RISE TO THE CLAIM.

(Information required to complete this Schedule, if not shown above, will be shown in the Declarations.)

Under **COMMERCIAL GENERAL LIABILITY CONDITIONS**, it is understood and agreed that the condition entitled **Transfer Of Rights Of Recovery Against Others To Us** is amended by the addition of the following:

With respect to the person or organization shown in the Schedule above, the Insurer waives any right of recovery the Insurer may have against such person or organization because of payments the Insurer makes for injury or damage arising out of the **Named Insured's** ongoing operations or **your work** included in the **products-completed operations hazard**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

00020002460792047243228



CNA75008XX (10-16)

Page 1 of 1

VALLEY FORGE INSURANCE COMPANY

Insured Name: CANNON CORPORATION

Policy No: 6079204724

Endorsement No: 23

Effective Date: 09/01/2020



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**WAIVER OF OUR RIGHT TO RECOVER FROM  
OTHERS ENDORSEMENT - CALIFORNIA**

**Policy Number:** 57WEOL6H1H

**Endorsement Number:**

**Effective Date:** 09/01/2020

Effective hour is the same as stated on the Information Page of the policy.

**Named Insured and Address:** Cannon Corporation  
1050 Southwood Drive  
San Luis Obispo, CA 93401

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

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

The additional premium for this endorsement shall be 2 % of the California workers' compensation premium otherwise due on such remuneration.

**SCHEDULE**

**Person or Organization**

**Job Description**

Any person or organization from whom you are required by written contract or agreement to obtain this waiver of rights from us

*Christine Suen*

Countersigned by \_\_\_\_\_

Authorized Representative

Effective date of this Endorsement: 01-Sep-2020

This Endorsement is attached to and forms a part of Policy Number: V27737200201

Beazley Insurance Company, Inc. Referred to in this endorsement as either the "Insurer" or the "Underwriters"

**REDUCED DEDUCTIBLE AND INDEMNIFICATION AGREEMENT ENDORSEMENT**

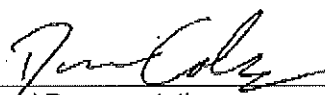
This endorsement modifies insurance provided under the following:

**AFB A&E MEDIA TECH® POLICY**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. If the **Insured** enters into a contract or agreement where the **Insured** elects to show a Deductible less than the amount stated in the Declarations, the **Insured's** Deductible in respect of any **Claim** arising from such contract or agreement shall be the lesser amount stated in the contract or agreement.
2. The Underwriters offer this Reduced Deductible and Indemnification Agreement Endorsement in consideration of the **Insured's** agreement to hold the Underwriters harmless and to promptly indemnify the Underwriters, when requested by the Underwriters, for amounts paid by the Underwriters under this Reduced Deductible and Indemnification Agreement Endorsement. Such amounts to be reimbursed by the **Insured** to the Underwriters include (a) the total sum difference between the Deductible stated in the Declarations and any reduced Deductible agreed to by the **Insured** and (b) any costs, expenses or attorneys fees the Underwriters incur in enforcing this Reduced Deductible and Indemnification Agreement Endorsement.

All other terms and conditions of this Policy remain unchanged.

  
\_\_\_\_\_  
Authorized Representative

**CITY OF HUNTINGTON BEACH****On Call Development Review Engineering & Professional Consulting Svcs:**

<b>FIRM</b>	<b>PROPOSAL Scores (Total)</b>	<b>Proposal Scores (Avg)</b>
DMc	209	69.7
Ardurra	186	62.0
Cannon	185	61.7
HR Green	182	60.7
NV5	182	60.7
Interwest	172	57.3
CSG Consultants	129	43.0
Bureau Veritas	128	42.7
Transtech	114	38.0
Engineering Resources	111	37.0
M6 Consulting	104	34.7
Precision Civil Engineering	68	22.7
Hartzog & Crabill	65	21.7
PBLA Engineering	55	18.3
Coast Surveying	Survey Only	
Stantec		