

**Agreement for Professional Services
Mission Springs Water District
66575 Second Street
Desert Hot Springs, CA 92240
Telephone (760) 329-6448 - FAX (760) 329-2482**

For your protection, make sure that you read and understand all provisions before signing. The terms on Pages 2 - 6 are incorporated in this document and will constitute a part of the agreement between the parties when signed.

TO: **TKE Engineering, Inc.**
2305 Chicago Ave.
Riverside, CA 92507

DATE: November 18, 2020

CONTRACT DIR # 352956

TITLE: **Well 42 Project Construction Management and Inspection Services**

The undersigned Consultant agrees to furnish the following:

All Work/Services per the attached Exhibit A – Scope of Work and Proposal in accordance with Exhibit B –Rate Schedule provided by TKE Engineering, Inc., and per Exhibit C – Term, Early Termination & Notice

Contract price \$: Not to Exceed \$178,300.00

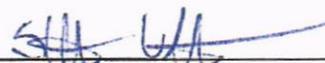
Term: One (1) year from the effective Agreement DATE above

Instructions: Sign and return the originals. Upon acceptance by Mission Springs Water District, a copy will be signed by its authorized representative(s) and promptly returned to you. Insert the names of your authorized representative(s) below.

Accepted:
Mission Springs Water District

Consultant:
TKE Engineering, Inc.
(Business Name)

By: 
Arden Wallum

By: 
Steve Ledbetter

Title General Manager

Title Vice President

Other authorized representative(s):
Danny Friend
Director of Engineering and Operations

Other authorized representative(s):
Michael Thornton
President

Luiz Santos
Associate Engineer

Terry Renner
Senior Vice President

Consultant agrees with the Mission Springs Water District that:

- a. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant will immediately defend, indemnify and hold harmless Mission Springs Water District, its directors, officers, employees, and authorized volunteers from all claims and demands of all persons that arise out of, pertain to, or relate to the Consultant's negligence, recklessness, or willful misconduct in the performance (or actual or alleged non-performance) of the work under this agreement. Consultant shall defend itself against any and all liabilities, claims, losses, damages, and costs arising out of or alleged to arise out of Consultant's performance or non-performance of the work hereunder, and shall not tender such claims to Mission Springs Water District nor to its directors, officers, employees, or authorized volunteers, for defense or indemnity.
- b. Other than in the performance of professional services, to the fullest extent permitted by law, Consultant will immediately defend, indemnify and hold harmless Mission Springs Water District, its directors, officers, employees and authorized volunteers from all claims and demands of all persons arising out the performance of the work or furnishing of materials; including but not limited to, claims by the Consultant or Consultant's employees for damages to persons or property except for the sole negligence or willful misconduct or active negligence of Mission Springs Water District, its directors, officers, employees, or authorized volunteers.
- c. By his/her signature hereunder, Consultant certifies that he/she is aware of the provisions of Section 3700 of the California 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 that Consultant will comply with such provisions before commencing the performance of the professional services under this agreement. Consultant and sub-consultants will keep workers' compensation insurance for their employees in effect during all work covered by this agreement.
- d. Consultant will file with Mission Springs Water District, before beginning professional services, a certificate of insurance satisfactory to Mission Springs Water District evidencing professional liability coverage of not less than \$1,000,000 per claim and \$2,000,000 annual aggregate, that coverage shall not be cancelled except with notice to Mission Springs Water District. Coverage is to be placed with a carrier with an A.M. Best rating of no less than A-:VII, or equivalent, or as otherwise approved by Mission Springs Water District. The retroactive date (if any) is to be no later than the effective date of this agreement. Consultant shall maintain such coverage continuously for a period of at least five (5) years after the completion of the contract work. Consultant shall purchase a five-year extended reporting period i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement. In the event that the Consultant employs other consultants (sub-consultants) as part of the work covered by this agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.
- e. Consultant will file with Mission Springs Water District, before beginning professional services, certificates of insurance (Acord Form 25 or equivalent) satisfactory to Mission Springs Water District evidencing

Coverage – Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

1. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001)

2. Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto)

Limit – The consultant shall maintain limits no less than the following

1. General liability - coverage of not less than two million (\$2,000,000) per occurrence or the full per occurrence limits of the policies available, whichever is greater for bodily injury, personal injury and property damage; (\$4,000,000 general and products-completed operations aggregate (if used)).
2. Auto liability - One million dollars \$1,000,000 for bodily injury and property damage each accident limit.
3. Workers' compensation (statutory limits) and employer's liability (\$1,000,000) (if applicable).

Required Provisions –

- The general liability coverage shall give Mission Springs Water District, its directors, officers, employees (collectively the District), and authorized volunteers insured status (via ISO endorsement at least as broad as CG 2010 1185 or **both** CG 20 10 plus CG 20 37 if a later editions is used) specifically naming the Mission Springs Water District, its directors, officers, employees, or authorized volunteers; or using the language that states "as required by written contract."
 - The general liability coverage is to state or be endorsed (with as broad as ISO endorsement CG 20 01 04 13) to state "such insurance shall be primary and any insurance, self-insurance or other coverage maintained by Mission Springs Water District, its directors, officers, employees, or authorized volunteers shall not contribute to it".
 - Coverage is to be placed with a carrier with an A.M. Best rating of no less than A-:VII, or equivalent, or as otherwise approved by Mission Springs Water District.
 - The coverage shall contain no special limitations on the scope of protection afforded to Mission Springs Water District, its directors, officers, employees, or authorized volunteers.
 - In the event that the Consultant employs other consultants (sub-consultants) as part of the work covered by this agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.
- f. If any of the required coverages expire during the term of this agreement, the Consultant shall deliver the renewal certificate(s) to Mission Springs Water District at least ten (10) days prior to the expiration date.
 - g. Consultant shall not accept direction or orders from any person other than the General Manager or the person(s) whose name(s) is (are) inserted on Page 1 as "other Authorized Representative(s)."
 - h. Payment, unless otherwise specified on Page 1, is to be within thirty (30) days after acceptance by Mission Springs Water District.

- i. Professional permits required by governmental authorities will be obtained at Consultant's expense, and Consultant will comply with applicable local, state and federal regulations and statutes including but not limited to Cal/OSHA requirements.
- j. Any change in the scope of the professional services to be done, method of performance, nature of materials or price thereof, or to any other matter materially affecting the performance or nature of the professional services will not be paid for or accepted unless such change, addition or deletion is approved in advance, in writing by a supplemental agreement executed by Mission Springs Water District. Consultant's "Authorized Representative(s)" has (have) the authority to execute such written change for Consultant.
- k. Unless otherwise agreed upon in writing, all reports, documents, or other written material, including any documents, images, photographs, video files, or other media created or developed by Consultant as part of the services required hereunder ("Written Products") shall be considered to be "works made for hire", and all Written Products and any and all intellectual property rights arising from their creation, including, but not limited to, all copyrights and all other proprietary rights, shall be and remain the property of Mission Springs Water District without restriction or limitation upon their use, duplication or dissemination by Mission Springs Water District, except as otherwise provided herein. Consultant shall not obtain or attempt to obtain copyright protection as to any of the Written Products.
- l. Consultant hereby assigns to Mission Springs Water District all ownership and any and all intellectual property rights to the Written Products that are not otherwise vested in Mission Springs Water District pursuant to section above.
- m. Consultant shall not disclose, publish, or authorize others to disclose or publish, design data, drawings, specifications, reports, or other information pertaining to the projects assigned to the Consultant by the Mission Springs Water District or other information to which the Consultant has had access during the term of this Agreement without the prior written approval of an Authorized Representative during the term of this Agreement. Consultant's covenant under this section shall survive the termination of this Agreement
- n. Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by the Mission Springs Water District or the Authorized Representative. The Consultant shall maintain adequate records on services provided in sufficient detail to permit an evaluation of service. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. At all times during regular business hours, Consultant shall provide access to such books and records to the Authorized Representative or his or her designees, and shall give the Authorized Representative or his or her designees the right to examine and audit such books and records and to make transcripts as necessary, and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement.
- o. This Agreement is personal to the Consultant. Any attempt to assign or subcontract any right or obligation hereunder by the Consultant shall be void unless approved in writing in advance by the Authorized Representative. Consultant's services pursuant to this Agreement shall be provided by the representative or directly under the supervision of the representative and Consultant shall not assign another to supervise the Consultant's performance of this Agreement without the prior written approval of the Mission Springs Water District, by and through the Authorized Representative
- p. Consultant shall not maintain, commit, or permit the maintenance or commission of any nuisance in connection with the performance of services under this Agreement
- q. Consultant agrees to be familiar with and comply with all applicable federal, state, and local conflict of Interest laws, including, but not limited to, the Political Reform Act (California

Government Code Sections 81000, et seq.) and California Government Code Section 1090. During the term of this Agreement, Consultant shall retain the right to perform similar services for other clients, but Consultant and its officers, employees, associates and subcontractors shall not, without the prior written approval of the Authorized Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

- r. A waiver by the Mission Springs Water District of any breach of any term, covenant, or condition contained in this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained in this Agreement whether of the same or different character.
- s. The Consultant shall commence, carry on, and complete all required tasks with all practicable dispatch, in a sound, economical, and efficient manner in accordance with all applicable laws and generally accepted industry standards.
- t. No Third Party Beneficiaries. The Mission Springs Water District shall not be obligated or liable under this Agreement to any party other than the Consultant.
- u. In no event shall the making by the Mission Springs Water District of any payment to the Consultant constitute or be construed as a waiver by the Mission Springs Water District of any breach of covenant, or any default which may then exist, on the part of the Consultant, and the making of any such payment by the Mission Springs Water District while any such breach or default shall exist shall in no way impair or prejudice any right or remedy available to the Mission Springs Water District with regard to such breach or default.
- v. If any legal action is necessary to enforce any provision of this Agreement or for damages by reason of an alleged breach of any provisions of this Agreement, the prevailing Party shall be entitled to receive from the losing Party all costs and expenses in such amount as the courts may determine to be reasonable. In awarding the cost of litigation, the court shall not be bound by any court fee schedule, but shall, if it is in the interest of justice to do so, award the full amount of costs, expenses, and attorneys' and experts' fees paid or incurred in good faith.
- w. In the performance of the work required by this Agreement, Consultant shall abide by and conform with and to any and all applicable laws of the United States and the State of California, and with the local County and Municipal Code, ordinances, regulations and policies.
- x. If any part, term, or provision of this Agreement shall be held illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Agreement, the validity of the remaining portions or provisions shall not be affected by such holding.
- y. The terms of this Agreement shall be interpreted according to the laws of the State of California. Should litigation occur, venue shall be the Superior Court of Riverside County, California.
- z. This Agreement represents the entire Agreement between the Mission Springs Water District and Consultant with respect to the subject matter hereto and supersedes all prior oral or written negotiations, representations or agreements. No verbal agreement or implied covenant shall be held to vary the provisions of this Agreement. This Agreement shall bind and inure to the benefit of the parties to this Agreement and any subsequent successors and assigns. In the event of any inconsistency between the provisions of this Agreement and Consultant's proposal or Quote, and Exhibits hereto, the provisions of this Agreement shall control.
- aa. Precedence of Exhibits. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express

provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

- bb. Consultant will act hereunder as an independent contractor. This agreement shall not and is not intended to constitute Consultant as an agent, servant, or employee of the Mission Springs Water District and shall not and is not intended to create the relationship of partnership, joint venture or association between the Mission Springs Water District and Consultant.
- cc. Each of the signatories herein, hereby represents that he or she has the authority to execute the Agreement on behalf of his or her contracting party.
- dd. Pursuant to Section 1770, and following, of the California Labor Code, the consultant shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. Copies of such prevailing rate of per diem wages are on file at the office of the Owner, which copies shall be made available to any interested party on request. The consultant shall post a copy of such determination at each job site.

This project is subject to the State of California "Prevailing Wage Rates".

This project is subject to the requirements of California Labor Code Section 1720 et seq. requiring the payment of prevailing wages, the training of apprentices and compliance with other applicable requirements. In accordance with provisions of Section 1773 of the Labor Code, the Director of the Department of Industrial Relations has ascertained the general prevailing rate of wages and employer payments for health and welfare, pension, vacation, and similar purposes applicable to the craft, classification, or type of workers employed on the work. The wage determinations shall be included in the bid specifications. All pertinent wage determinations shall be posted on the jobsite. If federal funding is included in the project, the higher of the State and Federal wage rates shall be used.

Pursuant to SB854, no contractor or subcontractor may work on a public works project unless registered with DIR for contracts awarded on/after April 1, 2015. General Contractors shall ensure all subcontractors executing work under the contract are DIR registered. All public works contractors and subcontractors to furnish Certified Payrolls and related records to the Agency's representative and shall also furnish electronic certified payroll records directly to the Labor Commissioner using the DLSE's online portal.

EXHIBIT A



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

July 30, 2019

Mr. Danny Friend, Director of Engineering and Operations
Mission Springs Water District
66575 Second Street
Desert Hot Springs, CA 92240

Subject: Proposal for Well 42 Construction Management and Inspection

Dear Mr. Friend:

Thank you for the opportunity to provide a proposal for the subject project. Enclosed herein is a comprehensive proposal depicting TKE Engineering, Inc. (TKE's) scope of service and fee to provide Construction Management and Inspection for the Well 42 Project.

PROJECT DESCRIPTION

Mission Springs Water District (MSWD) desires to retain a qualified consulting engineering firm to provide Construction Management and Inspection for the Well 42 Project. Services would include performing project management and construction administration, coordination and management of well drilling inspector, providing construction staking, and inspection of site civil and facility work. TKE has provided these services to MSWD on past projects including the Well 33 Solar Project and the Horton WWTP Spreading Basin Expansion Project.

I. SCOPE OF SERVICES

Construction contract management will include Pre-Construction, Construction, and Post-Construction Services described as follows:

Task No. 1 – Pre-Construction Services

Pre-construction services include project coordination, material submittal review, and pre-construction conference coordination. Pre-construction services, each are discussed in the following paragraphs:

Task No. 1.1 – Project Coordination

TKE will first perform a careful review of the contract documents (drawings, specifications, environmental documents, and permits) for the project. While doing so, we will develop a complete understanding and advise MSWD staff of potential construction issues. Our thorough review will include a detailed field walk of the project sites with TKE's project construction inspector.

Secondly, we will coordinate the project team, including the MSWD staff, drilling inspector, TKE's inspector, geotechnical engineers, materials testing, and other agency staffs by advising of project schedule and specific project requirements. All conferences will be documented, and documents will be provided to MSWD.

Task No. 1.2 – Material Submittal Review

TKE will review all project submittals. As required, TKE will coordinate review of certain submittals with the design engineer and/or the well inspector. Each submittal shall be reviewed with MSWD staff as required to verify compliance. Submittals would include:

- a. Construction Schedule

- b. Traffic Control and Safety Plans
- c. SWPPP
- d. Asphalt Concrete Pavement
- e. Aggregate Base
- f. Portland Cement Concrete
- g. Well Materials (e.g. casing, screen, filter pack, transducer tubes, bentonite, etc.)
- h. Pipeline Materials (e.g. pipe, valves, bedding, etc.)
- i. Appurtenance Materials (e.g. pumps, motors, blowoffs, concrete, covers, etc.)
- j. Infiltration Chambers and Associated Drainage Materials
- k. Piping, Instrumentation, and Motor Control Center Drawings/Materials
- l. Emergency contact list (names & numbers of emergency response personnel)

We will maintain a project log for the project and it will include descriptions of submittals, date received, and date returned. Once the submittals have been reviewed and accepted, they will be signed, dated, and sent to MSWD and project contractor. Submittals will be returned within the time frame specified by the contract documents. The construction schedule will be a critical document. It will be reviewed to verify compliance with the contract documents and will be reviewed bi-weekly to ensure construction is proceeding efficiently.

TKE will provide MSWD a bi-weekly memorandum on submittal review progress.

Task No. 1.3 – Pre-Construction Conference

A preconstruction conference will be held. The conference will be attended by MSWD staff, TKE's Construction Manager and Construction Inspector, EnviroLogic's Construction Inspector, the Contractor, together with City representatives, and representatives of potentially affected utilities as required. Prior to the conference, we will prepare a conference agenda. At the meeting, we will discuss communication protocol requirements, and procedures for contract submittals, contract administration, job-site access and delivery, and coordination with others. We will document the meeting and distribute meeting minutes to all appropriate parties.

Task No. 2 – Construction Services

Construction Services include the following:

Task No. 2.1 – Construction Administration

Prior to beginning construction and throughout the course of construction, we will meet with MSWD staff. We will prepare agendas and minutes for each meeting and will respond to questions as required. During construction, the Construction Manager will coordinate all construction activities with MSWD staff, the construction inspector, the well construction inspector, the quality assurance professionals, other agencies and utility companies and project surveyors. In addition, the Construction Manager will visit the job site weekly to observe the implementation of traffic control and construction safety. He will document any observed deviations from the safety plans and he will advise the construction contractor, as appropriate, for resolution of observed safety deficiencies. In addition, our Construction Manager will conduct bi-weekly meetings with the construction contractor to ensure construction is progressing efficiently. We will prepare agendas and minutes for each, and refer to uncompleted business at each meeting. Also, should incidents or issues arise, contractor will be required to submit reports regarding each.

TKE will coordinate any utility relocation requirements for the project.

Throughout the course of construction, our Construction Manager will respond to complaints from the public. We will advise staff of complaints and appropriate resolution. In addition,

he will review the construction progress and compare it to the approved project schedules and advise MSWD staff of compliance or deficiencies.

He will review and respond to RFI's and RFC's (including written clarification requests and change-in-plan drawings) regarding the contract documents in order to ensure that the improvements are constructed in compliance with the construction documents. We will provide said responses as required to minimize delays in construction. All RFI's and RFC's will be logged, including content of inquiry and date relayed and date of response.

Our contract administration activities will include progress reviews to ensure that the project is proceeding according to requirements and schedule, bi-weekly progress review meetings with MSWD staff and contractor, review of contract change order requests, and payment requests and related services. Payment requests and record keeping will include all correspondence, transmittals, drawings, technical manuals, reports, etc. (both hard copy and electronic formats) related to pre-construction, construction and post-construction phases of each construction contract. The documents will be kept at both our office, and MSWD. Our filing system will be reviewed with MSWD staff in order that they will be able to access documents as required.

Project progress and any changes during construction will be noted on a set of the project's contract documents maintained in our office. If a problem occurs requiring a MSWD decision, we will consult with MSWD staff. The Construction Manager will attempt to resolve complaints, concerns, and questions from residents and other affected agencies.

Through e-mail, telephone conferences, and regular meetings, the Construction Manager will keep the MSWD staff informed of project progress, problems that have occurred during construction, and any changes in work. Whenever possible, we will review required changes with MSWD staff prior to making same.

Each month, we will review the construction payment requests submitted by the contractor for work completed and the construction schedule. In addition, we will verify that certified payroll has been submitted. We will review the work completed and payment requests (forms provided by MSWD) to ensure that the quantities and amounts requested reflect the actual work completed. After each request has been reviewed (and revised if necessary), we will approve it and send it to MSWD staff for approval and payment. We will also submit a monthly status report with each payment request that will advise MSWD of compliance with the project schedule. If the contractor begins to fall behind the schedule, we will request corrective action. In accordance with contract documents, contractor's monthly updates of the project schedule will be reviewed.

If change conditions occur, we will negotiate with contractors to establish the impact of change conditions and we will attempt to complete negotiations prior to beginning work. MSWD will be included in all negotiation requiring a contract amount increase. If we fail to reach an agreement and the work must continue, we will direct the contractor to complete the work. We will request that the Construction Inspector document the labor, materials and equipment used for the extra work for use in future negotiations.

We will review any change order request received to determine if said request is warranted. If the change order request is not warranted, we will reject it in writing; prior to sending rejection letters to the contractor, we will review it with MSWD staff. If the change order request appears justified, we will review it with the Construction Inspector and compare it with field reports for confirmation of materials, equipment and/or labor involved; we will review same with MSWD staff and receive MSWD approval prior to preparing and processing

the contract change order. Change orders will be prepared on standard forms. Change Orders will be summarized in a log for review at our weekly meetings.

Any press inquiries of the project will be referred to MSWD staff.

We will ensure that telephone numbers for normal working hours, evenings, and weekends for our staff, contractor, utilities, and emergency services are provided to all concerned parties.

In addition, we will maintain documents and records utilizing MSWD filing system at the job sites. We will ensure that contractor(s) are submitting proper labor reports, time and material reports, material invoices and/or tickets, certifications, warranties and all other such documents as necessary for a complete and successful project.

Task No. 2.2 – Construction Staking

Construction staking services include staking for well casing, key pipeline alignment points (e.g. grade breaks, angle points and appurtenances), site corners and access road, well building pad, infiltration chamber, electrical pad, light poles, sampling station, and control valve structure. It will also include tie-out and resetting of project monumentation and pre and post construction corner records. We will prepare grade sheets and we will provide stakes for pipeline construction at required intervals.

Task No. 2.3 – Construction Inspection

TKE will provide full time construction inspection for the duration of the project's civil and facility construction. In addition, we will provide work part time construction inspection during well drilling activities, as required to support the well inspector and any civil work completed during that time. Our construction inspector will provide daily construction inspection to verify that the project is progressing in compliance with the plans and requirements. He will regularly discuss construction anticipated construction activities to ensure quality compliance and surveying is scheduled as needed to ensure the project is proceeding efficiently. We will require strict compliance with requirements for all construction activities. All materials will be reviewed against approved material submittals as they arrive on-site. Batch tickets or weigh certificates will be collected upon material arrival.

Our Construction Inspector will verify SWPPP and public safety provisions have been implemented at the start of each work day, at the construction site. Any deviations will be documented and MSWD will be advised. In addition, he will verify that construction is proceeding in accordance with contract document requirements.

Any system service interruptions, connections and abandonments will be coordinated with MSWD staff. In addition, TKE will verify all quality testing for the project.

We will digitally photograph the activities and maintain copies in the project files and our Construction Inspector will prepare daily field reports, which will document all observed project activity, including location of the activity, number of workers present, construction equipment used, inspector present, weather conditions, and construction progress. All project documentation will be completed on MSWD standard forms. All documents will be submitted in hard copy and electronic copy formats. TKE will provide all inspection equipment needed.

Task No. 3 – Post Construction

TKE will establish punch-lists for project completion, deliver maintenance bonds and/or manufacturer warranties, insure that all items are satisfactorily completed and we will perform any post-completion project analysis and reporting necessary and as required.

Through the course of construction, the Construction Manager will document changes on a set of record drawings. Once the project has been completed, TKE will prepare record drawings and provide them to MSWD. They will be signed and stamped by the construction manager and will reflect the improvements as constructed. Said record drawings will be based on data furnished by the public agencies, the contractor, and our weekly field reports.

We will forward copies of all records in digital format (CD ROM) and we will prepare a summary of construction changes, final cost, and schedule revisions. In addition, TKE will provide a final narrative summary report documenting construction activities.

In accordance with the project specifications the estimated construction period of six months should be adequate to complete the well construction.

II. FEE

TKE Engineering, Inc. will provide the services described in our proposal for \$178,300.00. Our fee amount is shown on the attached fee breakdown table. Our fee is a "not-to-exceed" fee amount and we will not provide added services without prior MSWD approval. Fees for construction engineering services would be provided in accordance with our attached rate schedule and are assumed on a 40 working day construction schedule. We propose to invoice MSWD monthly in accordance with our rate schedule, not to exceed the amounts specified.

Thank you for your consideration. TKE would very much appreciate the opportunity to interview with you to further discuss how MSWD can benefit with our services. If you have any questions, please call me at (951) 680-0440 or e-mail me at sledbetter@tkeengineering.com.

Sincerely,



Steven Ledbetter, P.E.
Project Manager
TKE Engineering, Inc.

Attachments:

Fee Breakdown Table
Rate Schedule

Mission Springs Water District
Construction Management and Inspection Services for
Well 42 Construction Project
Desert Hot Springs, California
Consulting Engineering Fee Breakdown

Task No.	Task	Construction Manager		Assistant Engineer		Clerical		Inspector		Survey Crew		Total
		Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	
1	Preconstruction Services											
1.1	Project Coordination	8	\$ 1,160	12	\$ 1,380	8	\$ 560	8	\$ 800		\$ -	\$ 3,900
1.2	Material Submittal Review	24	\$ 3,480	40	\$ 4,600	12	\$ 840		\$ -		\$ -	\$ 8,920
1.3	Preconstruction Conference	4	\$ 580	8	\$ 920	4	\$ 280	4	\$ 400		\$ -	\$ 2,180
2	Construction Services											
2.1	Construction Administration ^{2.)}	384	\$ 55,680	48	\$ 5,520	24	\$ 1,680	24	\$ 2,400		\$ -	\$ 65,280
2.2	Construction Surveying	2	\$ 290	4	\$ 460	4	\$ 280		\$ -	24	\$ 5,280	\$ 6,310
2.3	Construction Inspection ^{3.)}		\$ -		\$ -	24	\$ 1,680	800	\$ 80,000		\$ -	\$ 81,680
3	Post Construction	12	\$ 1,740	8	\$ 920	8	\$ 560	16	\$ 1,600		\$ -	\$ 4,820
Subtotal:		434	\$ 62,930	120	\$ 13,800	84	\$ 5,880	852	\$ 85,200	24	\$ 5,280	\$ 173,090
											Reimbursables (@3%)^{1.)}:	\$ 5,193

Rates:

Construction Manager	\$ 145 /HR
Assistant Engineer	\$ 115 /HR
Clerical	\$ 70 /HR
Construction Inspector	\$ 100 /HR
2-Man Survey Crew	\$ 220 /HR

Notes:

- 1.) Reimbursables Include Cost for Prints, Copies, Mileage, Etc.
- 2.) Assumes 120 Working Days
- 3.) Assumes 120 Working Days with Part Time Inspection 40 Days and Full Time Inspection 80 Days

TKE Engineering, Inc.

Design Total: \$ 178,283
Rounded Design Total: \$ 178,300

TKE ENGINEERING, INC.

RATE SCHEDULE

2018-2019

	HOURLY RATE
Principal in Charge.. .. .	\$155.00
Project Manager/Construction Manager/Licensed Surveyor.....	\$145.00
Senior Engineer/Project Engineer (PE)/Senior Plan Checker...	\$135.00
Associate Engineer.	\$125.00
Assistant Engineer/Plan Checker/Designer.....	\$115.00
AutoCAD Technician	\$105.00
Engineering Technician	\$ 80.00
Clerical	\$ 70.00
Forensic Engineering	\$175.00
Expert Witness Testimony	\$300.00

SURVEYING SERVICES

2-Man Survey Crew (Prevailing Wage)	\$220.00
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CONSTRUCTION SERVICES

Senior Construction Inspector (Prevailing Wage)	\$100.00
Construction Inspector (Prevailing Wage)	\$ 95.00

REIMBURSABLE COSTS

In-house Reproduction	Cost
Printing and Materials	Cost + 10%
Express Mail/Courier/Next Day Service	Cost + 10%
Special Subconsultant Services	Cost + 10%

EXHIBIT B

TKE ENGINEERING, INC.
RATE SCHEDULE
2018-2019

	HOURLY RATE
Principal in Charge.. .. .	\$155.00
Project Manager/Construction Manager/Licensed Surveyor.....	\$145.00
Senior Engineer/Project Engineer (PE)/Senior Plan Checker... ..	\$135.00
Associate Engineer.	\$125.00
Assistant Engineer/Plan Checker/Designer.....	\$115.00
AutoCAD Technician	\$105.00
Engineering Technician	\$ 80.00
Clerical	\$ 70.00
Forensic Engineering	\$175.00
Expert Witness Testimony	\$300.00

SURVEYING SERVICES

2-Man Survey Crew (Prevailing Wage)	\$220.00
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CONSTRUCTION SERVICES

Senior Construction Inspector (Prevailing Wage)	\$100.00
Construction Inspector (Prevailing Wage)..... ..	\$ 95.00

REIMBURSABLE COSTS

In-house Reproduction	Cost
Printing and Materials	Cost + 10%
Express Mail/Courier/Next Day Service	Cost + 10%
Special Subconsultant Services	Cost + 10%

EXHIBIT C

Term, Early Termination & Notice

Well 42 Project Construction Management and Inspection Services

A. Term of Agreement

This professional services agreement shall be effective upon approval by the parties thereof and shall expire one (1) year from the effective Agreement DATE therein. This contract also terminates and replaces any previous agreements between the District and TKE Engineering, Inc. for Well 42 Project Construction Management and Inspection Services in force prior to the effective date of this agreement.

B. Early Termination of Agreement

This agreement may be terminated at any time upon a thirty (30) day written Notice from either party, and without fault or claim for damages by either party.

C. Notice

All correspondence and Notices will be sent to the following addresses as noted below for Mission Springs Water District and TKE Engineering, Inc.

OWNER

Attn: Luiz Santos
Mission Springs Water District
66575 Second Street
Desert Hot Springs, CA 92240

CONSULTANT

Attn: Steve Ledbetter
TKE Engineering, Inc.
2305 Chicago Ave.
Riverside, CA 92507

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED (ARCHITECTS, ENGINEERS AND SURVEYORS)

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

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:

- a. Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
- b. If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies, or in connection with premises owned by or rented to you.

The person or organization does not qualify as an additional insured:

- c. With respect to the independent acts or omissions of such person or organization; or
- d. For "bodily injury", "property damage" or "personal injury" for which such person or organization has assumed liability in a contract or agreement.

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

- e. This insurance does not apply on any basis to any person or organization for which coverage as an additional insured specifically is added by another endorsement to this Coverage Part.
- f. This insurance does not apply to the rendering of or failure to render any "professional services".
- g. In the event that the Limits of Insurance of the Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement does not increase the limits of insurance described in Section III – Limits Of Insurance.

- h. This insurance does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

2. The following is added to Paragraph 4.a. of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

The insurance provided to the additional insured is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover. However, if you specifically agree in the "written contract requiring insurance" that this insurance provided to the additional insured under this Coverage Part must apply on a primary basis or a primary and non-contributory basis, this insurance is primary to other insurance available to the additional insured which covers that person or organizations as a named insured for such loss, and we will not share with the other insurance, provided that:

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

after you have signed that "written contract requiring insurance". But this insurance provided to the additional insured still is excess over valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under any other insurance.

COMMERCIAL GENERAL LIABILITY

3. The following is added to Paragraph 8., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury", "property damage" or "personal injury" arising out of "your work" performed by you, or on your behalf, done under a "written contract requiring insurance" with that person or organization. We waive this right only where you have agreed to do so as part of the "written contract requiring insurance" with such person or organization signed by you before, and in effect when, the "bodily injury" or "property damage" occurs, or the "personal injury" offense is committed.

4. The following definition is added to the **DEFINITIONS** Section:

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

- a. After you have signed that written contract;
- b. While that part of the written contract is in effect; and
- c. Before the end of the policy period.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
11/19/2020

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).

PRODUCER Willis Towers Watson Midwest, Inc. c/o 26 Century Blvd P.O. Box 305191 Nashville, TN 372305191 USA	CONTACT NAME: Willis Towers Watson Certificate Center PHONE (A/C, No, Ext): 1-877-945-7378 FAX (A/C, No): 1-888-467-2378 E-MAIL ADDRESS: certificates@willis.com	
	INSURER(S) AFFORDING COVERAGE	
INSURED TKE Engineering, Inc. 2305 Chicago Avenue Riverside, CA 92507	INSURER A: Liberty Insurance Underwriters Inc NAIC # 19917	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** W18772279 **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
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	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				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability			AEXNYABCETE003	08/01/2020	08/01/2021	Per Claim: \$1,000,000 Annual Aggregate: \$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Project: Well 42 Project Construction Management and Inspection Services.

CERTIFICATE HOLDER Mission Springs Water District 66575 Second Street Desert Hot Springs, CA 92240	CANCELLATION 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 