

**CITY OF COSTA MESA
PROFESSIONAL SERVICES AGREEMENT
WITH
MICHAEL BAKER INTERNATIONAL, INC.**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 18th day of March, 2019 ("Effective Date"), by and between the CITY OF COSTA MESA, a municipal corporation ("City"), and MICHAEL BAKER INTERNATIONAL, INC., a Pennsylvania corporation ("Consultant").

WITNESSETH:

A. WHEREAS, City proposes to utilize the services of Consultant as an independent contractor to provide environmental consulting services in connection with a proposed automobile storage facility at 975 W. 18th Street, as more fully described herein; and

B. WHEREAS, Consultant represents that it has that degree of specialized expertise contemplated within California Government Code section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

C. WHEREAS, City and Consultant desire to contract for the specific services described in Exhibit "A" (the "Project") and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and

D. WHEREAS, no official or employee of City has a financial interest, within the provisions of sections 1090-1092 of the California Government Code, in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1.0. SERVICES PROVIDED BY CONSULTANT

1.1. Scope of Services. Consultant shall provide the professional services described in Consultant's Proposal, attached hereto as Exhibit "A" and incorporated herein by this reference.

1.2. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise City of any changes in any laws that may affect Consultant's performance of this Agreement.

1.3. Performance to Satisfaction of City. Consultant agrees to perform all the work to the complete satisfaction of the City and within the hereinafter specified. Evaluations of the work will be done by the City Manager or his or her designee. If the quality of work is not satisfactory, City in its discretion has the right to:

- (a) Meet with Consultant to review the quality of the work and resolve the matters of concern;
- (b) Require Consultant to repeat the work at no additional fee until it is satisfactory; and/or
- (c) Terminate the Agreement as hereinafter set forth.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws, including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement. Consultant shall indemnify and hold harmless City from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against City for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Consultant's performance under this Agreement.

1.5. Non-Discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military or veteran status, except as permitted pursuant to section 12940 of the Government Code.

1.6. Non-Exclusive Agreement. Consultant acknowledges that City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.7. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of City. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

1.8. Confidentiality. Employees of Consultant in the course of their duties may have access to financial, accounting, statistical, and personnel data of private individuals and employees of City. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

2.0. COMPENSATION AND BILLING

2.1. Compensation. Consultant shall be paid in accordance with the fee schedule set forth in Exhibit A. Consultant's total compensation shall not exceed Seventeen Thousand Seven Hundred Twenty-Five Dollars (\$17,725.00).

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Consultant's Proposal unless the City or the Project Manager for this Project, prior to Consultant performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable.

2.3. Method of Billing. Consultant may submit invoices to the City for approval on a progress basis, but no more often than two times a month. Each invoice shall be based on the total of all Consultant's services which have been completed to City's sole satisfaction. City shall pay Consultant's invoice within forty-five (45) days from the date City receives said invoice. Each invoice shall describe in detail, the services performed, the date of performance, and the associated time for completion. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to City or its Project Manager for inspection and/or audit at mutually convenient times from the Effective Date until three (3) years after termination of this Agreement.

3.0. TIME OF PERFORMANCE

3.1. Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall commence within five (5) days from the Effective Date of this Agreement. Said services shall be performed in strict compliance with the Project Schedule approved by City as set forth in Exhibit A. The Project Schedule may be amended by mutual agreement of the parties. Failure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination of this Agreement.

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party.

4.0. TERM AND TERMINATION

4.1. Term. This Agreement shall commence on the Effective Date and continue for a period of two (2) years, ending on March 17, 2021, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

4.2. Notice of Termination. The City reserves and has the right and privilege of

canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing written notice to Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the City.

4.3. Compensation. In the event of termination, City shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of City's written notice of termination. Compensation for work in progress shall be prorated based on the percentage of work completed as of the effective date of termination in accordance with the fees set forth herein. In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to the City or in the possession of the Consultant.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to the City within ten (10) days of delivery of termination notice to Consultant, at no cost to City. Any use of uncompleted documents without specific written authorization from Consultant shall be at City's sole risk and without liability or legal expense to Consultant.

5.0. INSURANCE

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by City:

- (a) Commercial general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.
- (b) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence for bodily injury and property damage.
- (c) Workers' compensation insurance as required by the State of California. Consultant agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the City, its officers, agents,

employees, and volunteers arising from work performed by Consultant for the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

- (d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retro date shall be prior to the start of the contract work. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

5.2. Endorsements. The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

- (a) Additional insureds: "The City of Costa Mesa and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Consultant pursuant to its contract with the City; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; automobiles owned, leased, hired, or borrowed by the Consultant."
- (b) Notice: "Said policy shall not terminate, be suspended, or voided, nor shall it be cancelled, nor the coverage or limits reduced, until thirty (30) days after written notice is given to City."
- (c) Other insurance: "The Consultant's insurance coverage shall be primary insurance as respects the City of Costa Mesa, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Costa Mesa shall be excess and not contributing with the insurance provided by this policy."
- (d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Costa Mesa, its officers, officials, agents, employees, and volunteers.
- (e) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5.3. Deductible or Self Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by City. No policy of insurance issued as to which the City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

5.4. Certificates of Insurance. Consultant shall provide to City certificates of insurance

showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement. The certificates of insurance shall be attached hereto as Exhibit "B" and incorporated herein by this reference.

5.5. Non-Limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

6.0. GENERAL PROVISIONS

6.1. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

6.2. Representatives. The City Manager or his or her designee shall be the representative of City for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of the City, called for by this Agreement, except as otherwise expressly provided in this Agreement.

Consultant shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Project Managers. City shall designate a Project Manager to work directly with Consultant in the performance of this Agreement.

Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with City during the term of this Agreement. Consultant or its Project Manager shall attend and assist in all coordination meetings called by City.

6.4. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: (a) at the time of delivery if such communication is sent by personal delivery, and (b) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONSULTANT:

Michael Baker International, Inc.
5 Hutton Centre Drive, Suite 500
Santa Ana, CA 92707
Tel: (949) 855-3612
Attn: Kristin Bogue

IF TO CITY:

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626
Tel: (714) 754-5667
Attn: Justin Arios

Courtesy copy to:

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626
Attn: Finance Dept. | Purchasing

6.5. Drug-Free Workplace Policy. Consultant shall provide a drug-free workplace by complying with all provisions set forth in City's Council Policy 100-5, attached hereto as Exhibit "C" and incorporated herein by reference. Consultant's failure to conform to the requirements set forth in Council Policy 100-5 shall constitute a material breach of this Agreement and shall be cause for immediate termination of this Agreement by City.

6.6. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.7. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California.

6.8. Assignment. Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without City's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of City's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

6.9. Indemnification and Hold Harmless. Consultant agrees to defend, indemnify, hold free and harmless the City, its elected officials, officers, agents and employees, at Consultant's sole expense, from and against any and all claims, actions, suits or other legal proceedings brought against the City, its elected officials, officers, agents and employees arising out of the performance of the Consultant, its employees, and/or authorized subcontractors, of the work undertaken pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by the Consultant, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions or misconduct of the Consultant, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the City, its elected officials, officers, agents and employees based upon the work performed by the Consultant, its employees, and/or authorized subcontractors under this Agreement, whether or not the Consultant, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the Consultant shall not be liable for the defense or indemnification of the City for claims, actions, complaints or suits arising out of the sole active negligence or willful

misconduct of the City. This provision shall supersede and replace all other indemnity provisions contained either in the City's specifications or Consultant's Proposal, which shall be of no force and effect.

6.10. Independent Contractor. Consultant is and shall be acting at all times as an independent contractor and not as an employee of City. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, 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 are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. City shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under this paragraph.

6.11. PERS Eligibility Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

6.12. Cooperation. In the event any claim or action is brought against City relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which City might require.

6.13. Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Consultant or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of City. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of City. Any

use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of City and without liability or legal exposure to Consultant. City shall indemnify and hold harmless Consultant from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from City's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Consultant. Consultant shall deliver to City any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by City or its authorized representative, at no additional cost to the City.

6.14. Public Records Act Disclosure. Consultant has been advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subcontractors, pursuant to this Agreement and provided to City may be subject to public disclosure as required by the California Public Records Act (California Government Code section 6250 *et seq.*). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code section 6254.7, and of which Consultant informs City of such trade secret. The City will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The City shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

6.15. Conflict of Interest. Consultant and its officers, employees, associates and subconsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code sections 81000, *et seq.*) and Government Code section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subconsultants shall not, without the prior written approval of the City 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 subconsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

6.16. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the City's representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to City, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

6.17. Prohibited Employment. Consultant will not employ any regular employee of City while this Agreement is in effect.

6.18. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by

reference, this Agreement shall govern over the document referenced.

6.19. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

6.20. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of City and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.21. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.22. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.23. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.24. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.25. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

6.26. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.27. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

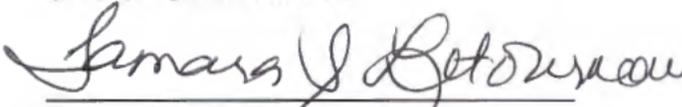
CONSULTANT


Signature
Eddie Torres, Associate Vice President
[Name and Title]

Date: 3/19/19

[REDACTED]
Social Security or Taxpayer ID Number

CITY OF COSTA MESA


Tamara Letourneau
Acting City Manager

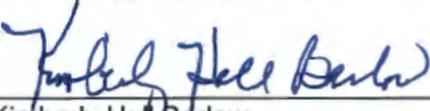
Date: 3/29/19

ATTEST:

Brenda Green 4/1/19
Brenda Green
City Clerk

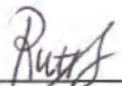


APPROVED AS TO FORM:


Kimberly Hall Barlow
City Attorney

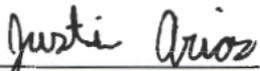
Date: 3/29/19

APPROVED AS TO INSURANCE:


Ruth Wang
Risk Management

Date: 3/25/19

APPROVED AS TO CONTENT:



Justin Amos
Project Manager

Date: 3/20/19

DEPARTMENTAL APPROVAL:



Barry Curtis
Economic and Development Services
Director

Date: 3.21.19

APPROVED AS TO PURCHASING:



Kelly Telford
Finance Director

Date: 3/20/19

EXHIBIT A
CONSULTANT'S PROPOSAL

March 1, 2019

Justin Arios
Assistant Planner
CITY OF COSTA MESA
77 Fair Drive
Costa Mesa, CA 92626

RE: PROPOSAL TO PREPARE A CLASS 32 CATEGORICAL EXEMPTION MEMORANDUM FOR MCUP REVIEW ZA-18-55 LOCATED AT 975 W. 18TH STREET, COSTA MESA

Dear Mr. Arios:

Michael Baker International (Michael Baker) is pleased to submit this Proposal to prepare a Class 32 Categorical Exemption Report in support of an automobile storage facility at 975 W. 18th Street, Costa Mesa (project) pursuant to the California Environmental Quality Act (CEQA).

The following sections of this letter proposal identify our scope of work, schedule, and fee to prepare the Categorical Exemption Memorandum.

PROJECT TEAM

The Michael Baker project team will be led by our project manager, Kristen Bogue. Ms. Bogue has extensive experience in preparing and managing CEQA documents and has been with Michael Baker for 14 years. With many years of practical experience, Ms. Bogue is a recognized leader in CEQA and NEPA studies (EIR's, EIS's, Negative Declarations, and Environmental Assessments). Ms. Bogue utilizes her experience to manage and author environmental documentation, often incorporating the results of complex technical documentation to substantiate conclusions within the document. Ms. Bogue has also successfully prepared environmental documentation for a range of highly controversial projects subject to scrutiny by the general public, environmental organizations, and public agencies. Using her broad background and understanding of environmental constraints, Ms. Bogue provides detailed, legally sound CEQA/NEPA compliance review and environmental documentation.

PROJECT UNDERSTANDING

The City of Costa Mesa is seeking a consultant to prepare the Class 32 Categorical Exemption Memorandum (CE Memo), which would include the Technical Studies necessary to demonstrate that the project meets the conditions for a Class 32 CE, pursuant to CEQA Guidelines Section 15332, *In-Fill Development Projects*. The project proposes the demolition/clearing of the existing property located at 975 W. 18th Street, and the construction of three buildings, totaling 18,792 square feet, to be used for dedicated car storage rental. At full capacity, 106 cars would be accommodated via on-site building storage. A total of 10 parking stalls would also be constructed on-site. A second-floor storage mezzanine as well as office/lounge and ancillary facilities would be included. The project would require a Minor Conditional Use Permit.

SCOPE OF WORK

Michael Baker will work closely with the City to ensure that the environmental review process accurately addresses the potential project impacts and ultimately complies with the State and City's environmental review processes.

According to CEQA Guidelines Section 15300, *Categorical Exemptions*, various classes of projects have been determined to not have a significant effect on the environment, thus, would be exempt from the provisions of CEQA. In-fill development projects are one class of projects (i.e., Class 32), from among others, found not to have a significant effect on the environment, and declared to be categorically exempt from the requirement to prepare environmental documents.

CEQA Guidelines Section 15332, *In-Fill Development Projects*, specifies that Class 32 consists of projects characterized as in-fill development meeting the following conditions:

- a) The project is consistent with the applicable general plan designation and all applicable general plan policies, as well as with applicable zoning designation and regulations.
- b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
- c) The project site has no value as habitat for endangered, rare, or threatened species.
- d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
- e) The site can be adequately served by all required utilities and public services.

It is preliminarily assumed that the proposed project meets Conditions "a," "b," "c," and "e"; therefore, the CE Memo will provide brief narratives demonstrating the project's compliance with these conditions.

To demonstrate compliance with Condition "d", the proposed approach includes preparation of the following technical studies: Air Quality; Noise; and Transportation/Traffic. The findings of the technical studies will be presented in the CE Memo, including narratives to substantiate that the project would not result in any significant effects. Also, to demonstrate compliance with Condition "d," the CE Memo will provide a brief narrative demonstrating that the project would not result in a significant effect concerning water quality, based on the City of Costa Mesa's General Plan and Municipal Code Section 8-32, *Control of urban runoff*.

It is also preliminarily assumed that the proposed project does not meet the conditions outlined in CEQA Guidelines Section 15300.2, *Exceptions*, based on the following factors:

- a) Location: This exception pertains to Classes 3, 4, 5, 6, and 11- and not Class 32. Further, the project site is not located in a particularly sensitive environment.
- b) Cumulative Impact: The project would result in less than significant or no environmental impacts. Additionally, it is assumed that no project of the same type and in the same vicinity, capable of

interacting with the proposed project, would be developed. Thus, significant cumulative impacts are not anticipated.

- c) Significant Effect: There are no known unusual circumstances concerning the project. Thus, there is no known reasonable possibility that the project would have a significant effect on the environment.
- d) Scenic Highways: The project site is not located within a state scenic highway. Moreover, the project would not damage scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources.
- e) Hazardous Waste Sites: The project site is not included on a list compiled pursuant to Government Code Section 65962.5.
- f) Historical Resources: It is assumed that the existing buildings are not historical resource(s).

Therefore, the CE Memo will provide brief narratives demonstrating that the proposed project does not meet these conditions.

It is noted, should the City deem it necessary to provide technical studies to further demonstrate that the project would not result in any significant effects concerning cultural resources and/or water quality, a separate scope and fee for preparation of technical studies by Michael Baker's in-house experts can be provided. It is also noted, should it be determined through the course of the environmental analysis that the project could have a significant effect on the environment, or that the project does not meet the conditions to qualify for a Class 32 CE, Michael Baker will immediately communicate these findings to the City and discuss options for CEQA compliance, which could include a Mitigated Negative Declaration or Environmental Impact Report.

Our proposed scope of work to prepare and process a CE Memo for the project consists of the following tasks:

TASK 1.0 PROJECT KICK-OFF AND PROJECT CHARACTERISTICS

The project work program will be initiated with a Kick-Off Meeting conducted via conference call with City Staff and the Applicant to discuss the project in greater detail. This initial discussion will confirm the City's expectations and project goals as well as develop/refine the Project Description. This discussion will also establish the analysis' parameters, details of the proposed construction buildout conditions, scheduling, and overall communications protocol. Prior to project Kick-Off, Michael Baker will distribute an Agenda and list of data needs.

TASK 2.0 TECHNICAL ANALYSES

2.1 AIR QUALITY MEMORANDUM

Michael Baker's in-house specialists will prepare an Air Quality Memorandum, to be appended to the CE Memo. This scope of work includes the following tasks.

Existing Conditions/Regulatory Framework. The project is located within the South Coast Air Basin (SCAB), which is under the jurisdiction of the South Coast Air Quality Management District (SCAQMD). Baseline meteorological and air quality data developed through the California Air Resources Board (CARB) will be utilized for the description of existing ambient air quality. Air quality data from the nearest air quality monitoring station will be included to help highlight existing air quality local to the project area. The analysis will also describe and address the requirements set forth by the SCAQMD *CEQA Air Quality Handbook*.

Construction-Related Emissions. Construction emissions will be quantified with the California Emissions Estimator Model version 2016.3.2 (CalEEMod). A general description of the major phases of construction and their timing will be required. The air pollutant emissions during construction will be compared to the SCAQMD regional thresholds of significance. Naturally occurring asbestos impacts will also be discussed qualitatively.

Long-Term Emissions. Operational (i.e., area, energy, and mobile source) emissions will be quantified and compared to the SCAQMD regional thresholds of significance. Primary sources of emissions will be related to energy consumption, area sources, and local/regional vehicle miles traveled. Project consistency with the 2016 *Air Quality Management Plan* (2016 AQMP) will be evaluated.

Localized Emissions. The project is located within the SCAQMD's Source Receptor Area 18 (North Coastal Orange County). Based on localized meteorological data for SRA 18, Michael Baker will analyze localized impacts based upon the SCAQMD's Localized Significance Thresholds (LST) methodology.

Air Emissions Health Impacts. As a result of the California Supreme Court decision for *Sierra Club vs. County of Fresno (Friant Ranch L.P.)*, the resultant human health impacts from the project's short-term construction and long-term operational air emissions will be qualitatively analyzed.

2.2 NOISE

Michael Baker's in-house specialists will prepare a Noise Memorandum, to be appended to the CE Memo. This scope of work includes the following tasks.

Existing Conditions. The applicable noise and land use compatibility criteria for the project area will be reviewed and noise standards regulating noise impacts will be discussed for land uses on and adjacent to the project site. A site visit will be conducted and short-term noise level measurements will be taken along the project area. The noise monitoring survey will be conducted at up to four separate locations to establish baseline noise levels in the project area. Noise recording lengths are anticipated to require approximately 10 minutes at each location. This scope excludes long-term (24-hour) noise measurements.

Construction-Related Noise and Vibration. Construction would occur during implementation of the proposed project. Noise impacts from construction sources will be analyzed based on the anticipated equipment to be used, length of a specific construction task, equipment power type (gasoline or diesel engine), horsepower, load factor, and percentage of time in use. The construction noise impacts will be evaluated in terms of maximum levels (L_{max}) and hourly equivalent continuous noise levels (L_{eq}) and the frequency of occurrence at adjacent sensitive locations. An analysis of vibration impacts will be based on the Federal Transit Administration's vibration analysis guidance. Analysis requirements will be based on the sensitivity of the area, specific construction activities, and Noise Ordinance specifications.

Operational Noise Sources. Off-site noise impacts from vehicular traffic will be assessed using the U.S. Federal Highway Traffic Noise Prediction Model (FHWA-RD-77-108). The 24-hour weighted Community Noise Equivalent Levels (CNEL) will be presented in a tabular format. On-site noise generating activities will also be addressed and analyzed for potential impacts to the adjacent uses.

2.3 TRAFFIC

Michael Baker has retained Linscott Law & Greenspan (LLG) to prepare a trip generation analysis to calculate the project traffic. This scope of work assumes that LLG will conduct AM and PM peak period traffic counts at the project site driveway to determine the existing trip generation for the site. Trip generation forecasts will be analyzed for the proposed project for a typical weekday over a 24-hour period, as well as for the commuter AM and PM peak hours. The forecasts will be based on the trip generation rates/equations reflected in the 10th Edition of Trip Generation, published by the Institute of Transportation Engineers (ITE) or operational characteristics of the proposed project. LLG will provide a comparison with the existing trip generation for the project site to determine the net project trip generation. Based on the net traffic generation, LLG will conduct a traffic assessment of the potential traffic impacts associated with the proposed project based on the City of Costa Mesa traffic impact analysis guidelines. A draft Letter Report will summarize the methodologies and results of the trip generation assessment and the memorandum will be incorporated into the CE Memo.

TASK 3.0 CATEGORICAL EXEMPTION MEMORANDUM

The CE Memo will include the necessary analyses to demonstrate that the project is an in-fill development that would not have a significant effect on the environment, thus, meets the Class 32 conditions to be categorically exempt. The CE Memo will also include the necessary analyses to demonstrate that the project does not meet the conditions concerning exceptions to a CE. Michael Baker will identify the project's short-term construction and long-term operational impacts and their levels of significance to demonstrate that the project meets the conditions for a Class 32 CE, pursuant to CEQA Guidelines Section 15332, *In-Fill Development Projects*. The CE Memo will provide a brief narrative demonstrating the project's compliance with conditions concerning land use; site location, size, and setting; habitat value; and utilities and public services.

This analysis will include discussions demonstrating the project's compliance with Condition D, substantiating that the project will not result in any significant effects concerning air quality, noise, traffic, and water quality. The technical analyses detailed in Task 2.0 will be briefly summarized and included as Appendices to the CE Memo. Water quality will also be addressed, based on the City of Costa Mesa's General Plan and Municipal Code Section 8-32, *Control of urban runoff*, requirements. Should specific hydrology/water quality data be required for this analysis, this scope of work assumes that this information will be provided by the Applicant.

Last, the CE Memo will provide a brief narrative demonstrating that the proposed project does not meet the conditions outlined in CEQA Guidelines Section 15300.2, *Exceptions*. It is assumed that none of the exceptions to CE's pursuant to CEQA Guidelines Section 15300.2 apply to the proposed project.

TASK 4.0 PROJECT MANAGEMENT

Ms. Kristen Bogue will be responsible for implementation of overall management and supervision of the Project Team, and ongoing consultation with the Applicant and City Staff. Ms. Bogue will also undertake consultation and coordination of the project and review the Technical Studies for accuracy. Ms. Bogue will coordinate with all technical staff toward the timely completion of the CE Memo. Ms. Bogue will attend two conference call meetings (the Kick-Off Meeting [Task 1.0] and one project status conference call. This scope of work excludes in-person meetings and hearing attendance. Should the City determine that additional meetings, beyond this scope of work, are necessary, services will be provided under a separate scope of work on a time and materials basis. The estimated cost for additional in-person meetings is approximately \$600 per person.

TASK 5.0 DELIVERABLES

Deliverables for the Categorical Exemption Memorandum

- 1 electronic copy of the Draft CE Memo & Appendices;
- 1 electronic copy of the Final CE Memo & Appendices;
- 2 Hard Copies Final CE Memo.

Additional hard copies can be provided by Michael Baker, as requested by the City, for an additional fee on a time-and-materials basis.

SCHEDULE

The Michael Baker project team is committed to meeting any reasonable schedule that the City desires. During the kickoff meeting, we will work with the City to update the schedule as necessary, review milestones and expectations for deliverables, and discuss any "critical path" items and information needs critical to the schedule.

Kick-Off Meeting	Week 1
Preparation of Technical Memorandums	Weeks 1 - 5
Michael Baker Prepares Draft CE Memo	Week 6
City Reviews Draft CE Memo	Week 7
Michael Baker Prepares Final CE Memo	Week 8

ASSUMPTIONS

Michael Baker makes no assumptions regarding the appropriate CEQA document for the project. Should the environmental analysis reveal that an IS/MND is the appropriate CEQA document for the project, Michael Baker would be available to prepare the document per the mutual agreement of the City and Michael Baker.

Michael Baker assumes that no technical studies other than those identified in the proposed scope of work provided herein will be required to complete the CEQA documentation for the project. If additional technical studies become necessary, Michael Baker would be available to conduct the studies per the mutual agreement of the City and Michael Baker.

Michael Baker has included one City review of administrative draft versions of all documents included in our scope of work, as well as one proof-check draft version. Should multiple reviews beyond those included in our scope of work be requested by the City, additional Michael Baker staff time may be necessary beyond the established budget. Should such a scenario arise, we would work with the City to seek mutually agreeable budget augmentation.

Michael Baker assumes that the project description will not substantively change during the course of the assignment. Should the project description change during the course of work, additional Michael Baker staff time may be necessary beyond the established budget to revise/update the document and the analysis. Should such a scenario arise, we would work with the City to seek mutually agreeable budget augmentation.

CLOSURE

Michael Baker appreciates the opportunity to submit this proposal. Our proposed scope of work and corresponding fee have been developed to meet the City's needs and to satisfy CEQA requirements for the proposed project. Michael Baker stands ready to proceed with the proposed scope of work upon the City's authorization. If you have any questions regarding this proposal, please do not hesitate to contact me at (949) 855-3612 or egtorres@mbakerintl.com.

Sincerely,



Eddie Torres
Associate Vice President
Environmental Services

EXHIBIT B
CERTIFICATES OF INSURANCE



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
03/06/2019

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 Aon Risk Services Central, Inc. Pittsburgh PA office EQT Plaza ~ Suite 2700 625 Liberty Avenue Pittsburgh PA 15222-3110 USA	CONTACT NAME: PHONE (A/C. No. Ext): (866) 283-7122 FAX (A/C. No.): (800) 363-0105		
	E-MAIL ADDRESS:		
INSURED Michael Baker International, Inc 5 Hutton Centre Drive Suite 500 Santa Ana CA 92707 USA	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Liberty Mutual Fire Ins Co		23035
	INSURER B: Liberty Insurance Corporation		42404
	INSURER C: Lloyd's Syndicate No. 2623		AA1128623
	INSURER D: XL Insurance America Inc		24554
	INSURER E:		
INSURER F:			

COVERAGES **CERTIFICATE NUMBER: 570075283151** **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. **Limits shown are as requested**

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBRI WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			T82681004145718 General Liability	08/30/2018	08/30/2019	EACH OCCURRENCE	\$2,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$300,000
							MED EXP (Any one person)	\$10,000
							PERSONAL & ADV INJURY	\$2,000,000
							GENERAL AGGREGATE	\$4,000,000
							PRODUCTS - COMP/OP AGG	\$4,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY			AS2-681-004145-728 Commercial Auto - AOS	08/30/2018	08/30/2019	COMBINED SINGLE LIMIT (Ea accident)	\$2,000,000
							BODILY INJURY (Per person)	
							BODILY INJURY (Per accident)	
							PROPERTY DAMAGE (Per accident)	
D	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10,000			US00079952LI18A Umbrella	08/30/2018	08/30/2019	EACH OCCURRENCE	\$10,000,000
							AGGREGATE	\$10,000,000
B	<input checked="" type="checkbox"/> 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	WA768D004145778 Workers Comp - AOS	08/30/2018	08/30/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER	
							E.L. EACH ACCIDENT	\$1,000,000
							E.L. DISEASE-EA EMPLOYEE	\$1,000,000
							E.L. DISEASE-POLICY LIMIT	\$1,000,000
C	E&O-PL-Primary			PSDEF1800460 Professional Liab. and CP	08/31/2018	08/30/2019	Per Claim	\$5,000,000
							Aggregate	\$5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 RE: Project Name: One Metro West. The City of Costa Mesa, its elected and appointed boards, officers, agents and employees are included as Additional Insured in accordance with the policy provisions of the General Liability policy. General Liability policy evidenced herein is Primary and Non-Contributory to other insurance available to Additional Insured, but only in accordance with the policy's provisions. Should General Liability, Automobile Liability and Workers' Compensation policies be cancelled before the expiration date thereof, the policy provisions will govern how notice of cancellation may be delivered to Certificate Holders in accordance with the policy provisions.

CERTIFICATE HOLDER City of Costa Mesa 77 Fair Drive Costa Mesa CA 92626 USA	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 <i>Aon Risk Services Central, Inc</i>
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):

Location(s) Of Covered Operations

All persons or organizations with whom you have entered into a written contract or agreement, prior to an "occurrence" or offense, to provide additional insured status.

All locations as required by a written contract or agreement entered into prior to an "occurrence" or offense.

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

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

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

SCHEDULE

**Name Of Additional Insured Person(s)
Or Organization(s):**

All persons or organizations with whom you have entered into a written contract or agreement, prior to an "occurrence" or offense, to provide additional insured status.

Location And Description Of Completed Operations

All locations as required by a written contract or agreement entered into prior to an "occurrence" or offense.

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NONCONTRIBUTORY – OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

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

The following is added to the **Other Insurance** Condition and supersedes any provision to the contrary:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

(1) The additional insured is a Named Insured under such other insurance; and

(2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

Policy Number **TB2-681-004145-718**
 Issued by **Liberty Mutual Fire Insurance Co.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO THIRD PARTIES

This endorsement modifies insurance provided under the following:

- BUSINESS AUTO COVERAGE PART
- MOTOR CARRIER COVERAGE PART
- GARAGE COVERAGE PART
- TRUCKERS COVERAGE PART
- EXCESS AUTOMOBILE LIABILITY INDEMNITY COVERAGE PART
- SELF-INSURED TRUCKER EXCESS LIABILITY COVERAGE PART
- COMMERCIAL GENERAL LIABILITY COVERAGE PART
- EXCESS COMMERCIAL GENERAL LIABILITY COVERAGE PART
- PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
- LIQUOR LIABILITY COVERAGE PART
- COMMERCIAL LIABILITY – UMBRELLA COVERAGE FORM

Schedule

Name of Other Person(s) / Organization(s):	Email Address or mailing address:	Number Days Notice:
Per schedule on file with the Company		30

- A. If we cancel this policy for any reason other than nonpayment of premium, we will notify the persons or organizations shown in the Schedule above. We will send notice to the email or mailing address listed above at least 10 days, or the number of days listed above, if any, before the cancellation becomes effective. In no event does the notice to the third party exceed the notice to the first named insured.
- B. This advance notification of a pending cancellation of coverage is intended as a courtesy only. Our failure to provide such advance notification will not extend the policy cancellation date nor negate cancellation of the policy.

All other terms and conditions of this policy remain unchanged.

Policy Number: AS2-681-004145-728
 Issued By: Liberty Mutual Fire Insurance Co.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO THIRD PARTIES

This endorsement modifies insurance provided under the following:

- BUSINESS AUTO COVERAGE PART
- MOTOR CARRIER COVERAGE PART
- GARAGE COVERAGE PART
- TRUCKERS COVERAGE PART
- EXCESS AUTOMOBILE LIABILITY INDEMNITY COVERAGE PART
- SELF-INSURED TRUCKER EXCESS LIABILITY COVERAGE PART
- COMMERCIAL GENERAL LIABILITY COVERAGE PART
- EXCESS COMMERCIAL GENERAL LIABILITY COVERAGE PART
- PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
- LIQUOR LIABILITY COVERAGE PART

Schedule		
Name of Other Person(s)/ Organization(s):	Email Address or mailing address:	Number Days Notice:
Per schedule on file with the Company	Per schedule on file with the Company	30

- A. If we cancel this policy for any reason other than nonpayment of premium, we will notify the persons or organizations shown in the Schedule above. We will send notice to the email or mailing address listed above at least 10 days, or the number of days listed above, if any, before the cancellation becomes effective. In no event does the notice to the third party exceed the notice to the first named insured.
- B. This advance notification of a pending cancellation of coverage is intended as a courtesy only. Our failure to provide such advance notification will not extend the policy cancellation date nor negate cancellation of the policy.

All other terms and conditions of this policy remain unchanged.

NOTICE OF CANCELLATION TO THIRD PARTIES

- A. If we cancel this policy for any reason other than nonpayment of premium, we will notify the persons or organizations shown in the Schedule below. We will send notice to the email or mailing address listed below at least 10 days, or the number of days listed below, if any, before cancellation becomes effective. In no event does the notice to the third party exceed the notice to the first named insured.
- B. This advance notification of a pending cancellation of coverage is intended as a courtesy only. Our failure to provide such advance notification will not extend the policy cancellation date nor negate cancellation of the policy.

Schedule

Name of Other Person(s) / Organization(s):	Email Address or mailing address:	Number Days Notice:
Per schedule on file with the producer	Per schedule on file with the producer	30

All other terms and conditions of this policy remain unchanged.

Issued by Liberty Insurance Corporation 21814

For attachment to Policy No. WA7-68D-004145-778

Effective Date

Premium \$

Issued to Michael Baker International, LLC

EXHIBIT C

CITY COUNCIL POLICY 100-5

CITY OF COSTA MESA, CALIFORNIA

COUNCIL POLICY

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8-8-89	1 of 3

BACKGROUND

Under the Federal Drug-Free Workplace Act of 1988, passed as part of omnibus drug legislation enacted November 18, 1988, contractors and grantees of Federal funds must certify that they will provide drug-free workplaces. At the present time, the City of Costa Mesa, as a sub-grantee of Federal funds under a variety of programs, is required to abide by this Act. The City Council has expressed its support of the national effort to eradicate drug abuse through the creation of a Substance Abuse Committee, institution of a City-wide D.A.R.E. program in all local schools and other activities in support of a drug-free community. This policy is intended to extend that effort to contractors and grantees of the City of Costa Mesa in the elimination of dangerous drugs in the workplace.

PURPOSE

It is the purpose of this Policy to:

1. Clearly state the City of Costa Mesa's commitment to a drug-free society.
2. Set forth guidelines to ensure that public, private, and nonprofit organizations receiving funds from the City of Costa Mesa share the commitment to a drug-free workplace.

POLICY

The City Manager, under direction by the City Council, shall take the necessary steps to see that the following provisions are included in all contracts and agreements entered into by the City of Costa Mesa involving the disbursement of funds.

1. Contractor or Sub-grantee hereby certifies that it will provide a drug-free workplace by:
 - A. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in Contractor's and/or sub-grantee's workplace, specifically the job site or location included in this contract, and specifying the actions that will be taken against the employees for violation of such prohibition;
 - B. Establishing a Drug-Free Awareness Program to inform employees about:

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8-8-89	2 of 3

1. The dangers of drug abuse in the workplace;
 2. Contractor's and/or sub-grantee's policy of maintaining a drug-free workplace;
 3. Any available drug counseling, rehabilitation and employee assistance programs; and
 4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- C. Making it a requirement that each employee to be engaged in the performance of the contract be given a copy of the statement required by subparagraph A;
- D. Notifying the employee in the statement required by subparagraph 1 A that, as a condition of employment under the contract, the employee will:
1. Abide by the terms of the statement; and
 2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- E. Notifying the City of Costa Mesa within ten (10) days after receiving notice under subparagraph 1 D 2 from an employee or otherwise receiving the actual notice of such conviction;
- F. Taking one of the following actions within thirty (30) days of receiving notice under subparagraph 1 D 2 with respect to an employee who is so convicted:
1. Taking appropriate personnel action against such an employee, up to and including termination; or
 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health agency, law enforcement, or other appropriate agency;

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8-8-89	3 of 3

- G. Making a good faith effort to maintain a drug-free workplace through implementation of subparagraphs 1 A through 1 F, inclusive.
2. Contractor and/or sub-grantee shall be deemed to be in violation of this Policy if the City of Costa Mesa determines that:
 - a. Contractor and/or sub-grantee has made a false certification under paragraph 1 above;
 - b. Contractor and/or sub-grantee has violated the certification by failing to carry out the requirements of subparagraphs 1 A through 1 G above;
 - c. Such number of employees of Contractor and/or sub-grantee have been convicted of violations of criminal drug statutes for violations occurring in the workplace as to indicate that the contractor and/or sub-grantee has failed to make a good faith effort to provide a drug-free workplace.
 3. Should any contractor and/or sub-grantee be deemed to be in violation of this Policy pursuant to the provisions of 2 A, B, and C, a suspension, termination or debarment proceeding subject to applicable Federal, State, and local laws shall be conducted. Upon issuance of any final decision under this section requiring debarment of a contractor and/or sub-grantee, the contractor and/or sub-grantee shall be ineligible for award of any contract, agreement or grant from the City of Costa Mesa for a period specified in the decision, not to exceed five (5) years. Upon issuance of any final decision recommending against debarment of the contractor and/or sub-grantee, the contractor and/or sub-grantee shall be eligible for compensation as provided by law.