



AGENDA

Garden Grove Sanitary District
Board of Directors

Tuesday, February 26, 2019

6:30 PM

Community Meeting Center 11300
Stanford Avenue Garden Grove
California 92840

John R. O'Neill
President
George S. Brietigam
Vice President
Patrick Phat Bui
Member
Steven R. Jones
Member
Stephanie Klopfenstein
Member
Kim B. Nguyen
Member
Thu-Ha Nguyen
Member

Meeting Assistance: Any person requiring auxiliary aids and services, due to a disability, to address the Sanitary District should contact the City Clerk's Office 72 hours prior to the meeting to arrange for accommodations. Phone: 714) 741-5040.

Agenda Item Descriptions: Are intended to give a brief, general description of the item. The Sanitary District may take legislative action deemed appropriate with respect to the item and is not limited to the recommended action indicated in staff reports or the agenda.

Documents/Writings: Any revised or additional documents/writings related to an item on the agenda distributed to all or a majority of the Sanitary District Members within 72 hours of a meeting, are made available for public inspection at the same time (1) in the City Clerk's Office at 11222 Acacia Parkway, Garden Grove, CA 92840, during normal business hours; (2) on the City's website as an attachment to the Sanitary District meeting agenda; and (3) at the Council Chamber at the time of the meeting.

Public Comments: Members of the public desiring to address the Sanitary District are requested to complete a pink speaker card indicating their name and address, and identifying the subject matter they wish to address. This card should be given to the City Clerk prior to the start of the meeting. General comments are made during "Oral Communications", and should be limited to matters under consideration and/or what the Sanitary District has jurisdiction over. Persons wishing to address the Sanitary District regarding a Public Hearing matter will be called to the podium at the time the matter is being considered.

Manner of Addressing the Sanitary District: After being called by the President, you may approach the podium, it is requested that you state your name for the record, and proceed to address the Sanitary District. All remarks and questions should be addressed to the Sanitary District as a whole and not to individual Sanitary District Members or staff members. Any person making impertinent, slanderous, or profane remarks or who becomes boisterous while addressing the Sanitary District shall be called to order by the President. If such conduct continues, the President may order the person barred from addressing the Sanitary District any further during that meeting.

Time Limitation: Speakers must limit remarks for a total of (5) five minutes. When any group of

persons wishes to address the Sanitary District on the same subject matter, the President may request a spokesperson be chosen to represent the group, so as to avoid unnecessary repetition. At the Sanitary District's discretion, a limit on the total amount of time for public comments during Oral Communications and/or a further limit on the time allotted to each speaker during Oral Communications may be set.

PLEASE SILENCE YOUR CELL PHONES DURING THE MEETING.

AGENDA

Open Session

6:30 PM

ROLL CALL: MEMBER BUI, MEMBER JONES, MEMBER KLOPFENSTEIN, MEMBER K. NGUYEN, MEMBER T. NGUYEN, VICE PRESIDENT BRIETIGAM, PRESIDENT O'NEILL

1. ORAL COMMUNICATIONS (to be held simultaneously with other legislative bodies)

2. CONSENT ITEMS

(Consent Items will be acted on simultaneously with one motion unless separate discussion and/or action is requested by a Sanitary District Member.)

2.a. Receive and file minutes from the meetings held January 22, 2019, and February 12, 2019. *(Action Item)*

3. ITEMS FOR CONSIDERATION

3.a. Award a contract to Lee & Ro, Inc., for professional engineering and construction management services of a Sewer System Rehabilitation Plan Phase I - Sewer Main Replacement Project 1 and Sewer Main Lining Projects 1 and 2. (Cost: \$704,239) *(Action Item)*

4. MATTERS FROM THE PRESIDENT, BOARD MEMBERS AND GENERAL MANAGER

5. ADJOURNMENT

The next Regular Sanitary District Meeting will be on Tuesday, March 26, 2019, at 5:30 p.m., in the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, California.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Teresa Pomeroy
Dept.: General Manager Dept.: City Clerk
Subject: Receive and file minutes Date: 2/26/2019
from the meetings held
January 22, 2019, and
February 12, 2019. (*Action
Item*)

Attached are the minutes from the meetings held on January 22, 2019, and February 12, 2019, recommended to be received and filed as submitted or amended.

ATTACHMENTS:

Description	Upload Date	Type	File Name
1-22-19 Minutes	2/20/2019	Minutes	January_22__2019.pdf
2-12-19 Minutes	2/21/2019	Minutes	February_12__2019.pdf

MINUTES

GARDEN GROVE SANITARY DISTRICT BOARD OF DIRECTORS

Regular Meeting

Tuesday, January 22, 2019

Community Meeting Center
11300 Stanford Avenue, Garden Grove, California 92840

CONVENE MEETING

At 7:07 p.m., Vice President O'Neill convened the meeting in the Council Chamber.

ROLL CALL PRESENT: (7) Vice President O'Neill, Members Brietigam,
Bui, Jones, Klopfenstein, K. Nguyen, T.
Nguyen

ABSENT: (0) None

ORAL COMMUNICATIONS

Speakers: Leland Sisk, Tom Raber, Tom Le

RECESS

At 7:24 p.m., Vice President O'Neill declared a recess.

RECONVENE

At 7:26 p.m., Vice President O'Neill reconvened the meeting with all Members present.

SELECTION OF PRESIDENT AND VICE PRESIDENT (F: S-46.1)(VIP)

Following Sanitary District Board discussion, it was moved by Member Bui, and seconded by Member Klopfenstein that:

Vice President O'Neill be selected as President, and Member Brietigam be selected as Vice President.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Brietigam, Bui, Jones, Klopfenstein, K. Nguyen, T.
Nguyen, O'Neill
Noes: (0) None

RECEIVE AND FILE MINUTES FROM THE MEETINGS HELD ON NOVEMBER 27, 2018,
AND DECEMBER 11, 2018 (F: Vault)

It was moved by Member Brietigam, seconded by Member Klopfenstein that:

The minutes from the meetings held on November 27, 2018, and December 11, 2018, be received and filed.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Brietigam, Bui, Jones, Klopfenstein, K. Nguyen, T.
Nguyen, O'Neill
Noes: (0) None

ADJOURNMENT

At 7:27 p.m., President O'Neill adjourned the meeting. The next Regular Sanitary District Meeting is scheduled for Tuesday, February 26, 2019, at 5:30 p.m. at the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, California.

Teresa Pomeroy, CMC
Secretary

MINUTES

GARDEN GROVE SANITARY DISTRICT BOARD OF DIRECTORS

Special Meeting

Tuesday, February 12, 2019

Community Meeting Center
11300 Stanford Avenue, Garden Grove, California 92840

CONVENE SPECIAL MEETING

At 5:40 p.m., President O'Neill convened the meeting in the Council Chamber.

ROLL CALL PRESENT: (7) President O'Neill, Members Brietigam, Bui,
Jones, Klopfenstein, K. Nguyen, T. Nguyen

 ABSENT: (0) None

CONVENE CLOSED SESSION

At 5:42 p.m., President O'Neill announced that the Sanitary District Board was going into Closed Session in the Founders Room to discuss the following matter:

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8
Property: Assessor Parcel Numbers 23318101 and 23317121
Sanitary District Negotiator: Scott C. Stiles, General Manager
Negotiating Parties: Landmark, LLC; Investel Harbor Resorts, LLC; City of Garden Grove
Under Negotiation: To obtain direction regarding the price and terms of payment for the acquisition/disposition of the property.

ORAL COMMUNICATIONS FOR CLOSED SESSION

Speakers: None.

RECESSED CLOSED SESSION

At 6:30 p.m., President O'Neill recessed Closed Session.

RECONVENE CLOSED SESSION

At 9:07 p.m., President O'Neill reconvened Closed Session with all Sanitary District

Board Members present.

ADJOURN CLOSED SESSION

At 10:30 p.m., President O'Neill adjourned Closed Session.

RECONVENE SPECIAL MEETING

At 10:31 p.m., President O'Neill reconvened the meeting in the Council Chamber with all Members present.

President O'Neill announced that there was no reportable action.

ADJOURNMENT

At 10:32 p.m., President O'Neill adjourned the meeting. The next Regular Sanitary District Meeting is scheduled for Tuesday, February 26, 2019, at 5:30 p.m. at the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, California.

Teresa Pomeroy, CMC
Secretary

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: William E. Murray
Dept.: General Manager Dept.: Public Works
Subject: Award a contract to Lee & Date: 2/26/2019
Ro, Inc., for professional
engineering and construction
management services of a
Sewer System Rehabilitation
Plan Phase I - Sewer Main
Replacement Project 1 and
Sewer Main Lining Projects 1
and 2. (Cost: \$704,239)
(*Action Item*)

OBJECTIVE

To recommend that the Garden Grove Sanitary District (District) Board award a contract to Lee & Ro, Inc., for professional engineering services and project management/inspection for the construction of District Sewer System Rehabilitation Plan Phase I – Sewer Main Replacement Project 1 and Sewer Main Lining Projects 1 and 2.

BACKGROUND

The District has recently completed the Sewer System Rehabilitation Plan Phase 1. The study has identified a list of replacement and lining projects with spot repairs. The District proposes to construct its Sewer Main Replacement Project 1 and Sewer Main Lining Projects 1 and 2, including spot repairs, in which existing sewer mains are to be replaced or lined. Construction is scheduled to take place in fiscal year 2019/2020. Location maps are attached.

This project will relieve structural deficiencies in the existing Euclid Street, Stanford Avenue, and other various streets within the District. The work includes, but is not limited to, the installation of approximately 4,972 linear feet of new replacement extra strength Vitrified Clay Pipe sewer line of various sizes (6-inch, 8-inch, 10-inch, 12-inch, 18-inch, and 24-inch), approximately 20,298 linear feet of new lining of existing sewer main of various sizes, spot repairs, moving and replacing sections of existing sewer mains, restoring existing sewer laterals after repair/lining, root removal, and repair of intruding laterals and manhole channels. Construction of sewer mains in Euclid Street and Stanford Avenue includes replacement of traffic

loop detectors.

DISCUSSION

Staff requested proposals from three (3) firms to provide professional engineering services and construction project management/inspection services. A panel of three members rated the submitted proposals on the basis of qualifications without considering cost. Based on evaluation results, Lee & Ro, Inc. rated highest in qualifications and its ability to provide professional engineering services for this project. The following is a summary of the ratings with the highest total being the most qualified:

	Lee & Ro, Inc.	DRP	Michael Baker International
Rater A	159.5	152.0	148.0
Rater B	144.5	139.5	134.5
Rater C	158.5	153.0	156.5
Total	462.5	444.5	439.0

FINANCIAL IMPACT

There is no impact to the General Fund. These projects are included in the 2019-20 Capital Improvement Budget, and will be financed with Sewer Funds in the amount of \$704,239.

RECOMMENDATION

It is recommended that the Sanitary District Board:

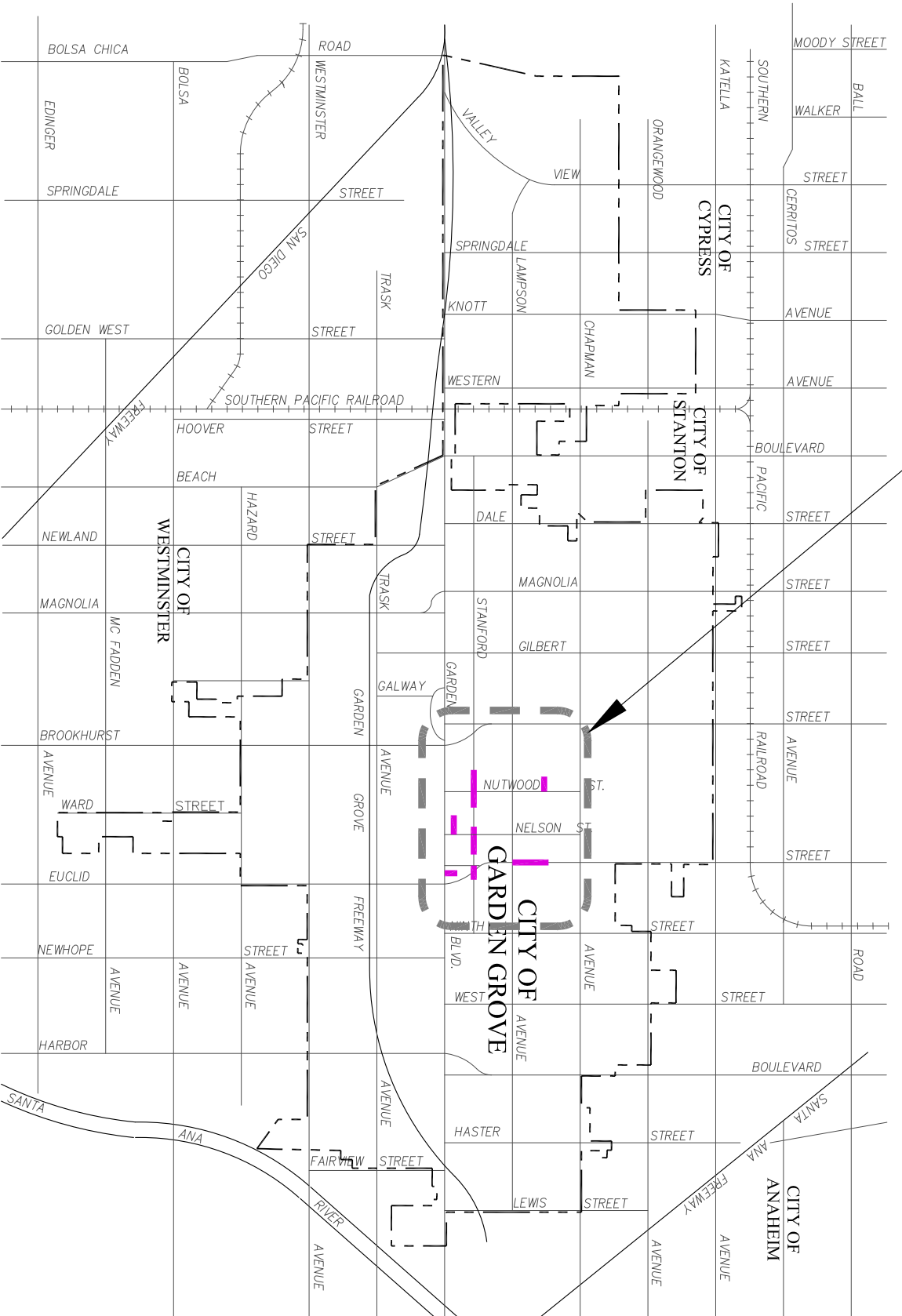
- Award a contract for professional engineering services to Lee & Ro, Inc., for Garden Grove Sanitary District Sewer System Rehabilitation Plan Phase I – Sewer Main Replacement Project 1 and Sewer Main Lining with Spot Repair Projects 1 and 2, in the amount of \$704,239; and
- Authorize the General Manager to execute the agreement on behalf of the Sanitary District.

By: Myung Chun
Associate Engineer

ATTACHMENTS:

Description	Upload Date	Type	File Name
Attachment 1 - Location			LocationMap-

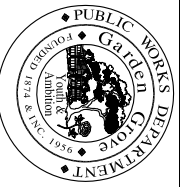
Map	2/13/2019	Backup Material	SewerRehabilitationPhaseI-Att1.pdf
Attachment 2 - Location Map	2/13/2019	Backup Material	LocationMap-SewerRehabilitationPhaseI-Att2.pdf
Attachment 3 - Professional Service Agreement	2/13/2019	Backup Material	Professional_Services_Agreement.pdf



PROJECT LOCATION MAP



City Of Garden Grove
 Department Of Public Works



CHECKED BY:

R.L.

SCALE:

N.T.S.

DATE:

FEB. 26, 2019

DRAWING NO.

PREPARED BY:

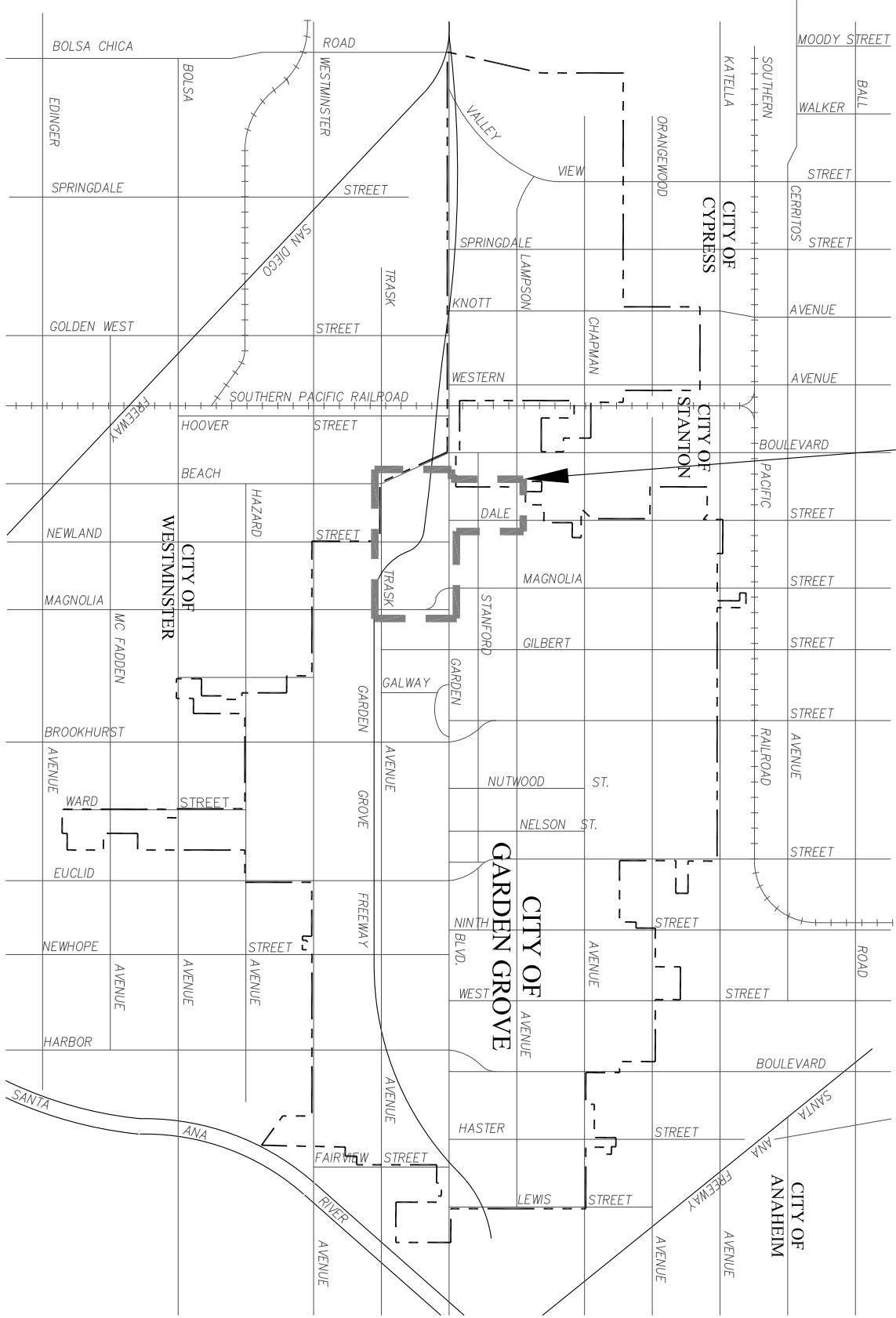
M.C.

GARDEN GROVE SANITARY DIST.

DRAWN BY:

M.C.

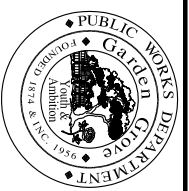
SEWER REHABILITATION PHASE I -
SEWER REPLACEMENT PROJECT 1



PROJECT LOCATION MAP



City Of Garden Grove
 Department Of Public Works



CHECKED BY: R.L.	SCALE: N.T.S.	DATE: FEB. 26, 2019	DRAWING NO.
PREPARED BY: M.C.	GARDEN GROVE SANITARY DIST. SEWER REHABILITATION PHASE I - SEWER LINING PROJECT 1 & 2		
DRAWN BY: M.C.			

PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT is made and entered into, to be effective the 26th day of February, 2019, by and between the GARDEN GROVE SANITARY DISTRICT, a California Special District, hereinafter referred to as "District," and LEE & RO, INC., a California corporation, hereinafter referred to as "Consultant." District and Consultant are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, District has determined that there is a need for Utility Research, Design Survey, Potholing, Permitting, Construction Management and Inspection, and Engineering Services for the construction of Garden Grove Sanitary District Sewer System Rehabilitation Plan Phase I – Sewer Main Replacement Project 1 and Sewer Main Lining and Spot Repair Projects 1 and 2 (the "Project");

WHEREAS, District desires to retain Consultant to provide such services; and

WHEREAS, Consultant is qualified by virtue of experience, training, education, and expertise to perform the professional services required by this Agreement and has agreed to provide such services.

NOW, THEREFORE, in consideration of the promises and mutual benefits which will result to the Parties in carrying out the terms of this Agreement, it is mutually agreed as follows:

AGREEMENT

I. SCOPE OF WORK

District agrees to retain Consultant, and Consultant agrees to perform the services set forth in the Scope of Services described in Exhibit "A", attached hereto and by reference made a part of this Agreement (hereinafter the "Services"). Consultant agrees that its provision of Services under this Agreement shall be within accepted standards within the profession, and its specialized services shall be in accordance with customary and usual practices in Consultant's profession. By executing this Agreement, Consultant warrants that it has carefully considered how the work should be performed and fully understands the facilities, difficulties, and restrictions attending performance of the work under this Agreement.

II. TERM

This Agreement shall be effective as of the date first set forth above. This Agreement shall commence upon the effective date of this Agreement, and shall remain and continue in effect until tasks described herein are completed unless otherwise terminated prior to this date pursuant to the provisions of this Agreement.

III. FEES

A. Accounting Records

Consultant shall keep complete, accurate, and detailed accounts of all time, costs, expenses, and expenditures pertaining in any way to this Agreement. Upon request of District, Consultant shall provide District with all records pertaining to this Agreement.

B. Total Payment

The Parties agree that Consultant shall bill for the Services provided by Consultant to District on an hourly basis and in accordance with the charges and fee schedule attached as Exhibit "A", except as otherwise set forth herein, provided compensation under this Agreement shall not exceed \$704,239.

C. Monthly Payment

1. District agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment, as set forth in Exhibit "A," attached hereto based upon actual time spent providing the services outlined in this Agreement. Consultant shall submit to District monthly or periodic statements requesting payment. Such requests shall be based upon the amount and value of the Services performed by Consultant under this Agreement and shall be prepared by Consultant and accompanied by such reporting data including a detailed breakdown of all costs incurred and tasks performed during the period covered by the statement, as may be required by District. Invoices shall be submitted on or about the first business day of each month, for Services provided the prior month. District shall use reasonable efforts to make payment to Consultant within forty-five (45) days after the date of the invoice or as soon thereafter as reasonably practicable. If District determines that the approved written Scope of Work under this Agreement or any specified task hereunder is incomplete, the District General Manager, or his or her designee, shall notify Consultant and may withhold the payment amount for the unfinished work accordingly.

2. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement, which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the District General Manager.

IV. TERMINATION

District may terminate this Agreement for its convenience at any time, with or without cause, in whole or in part, upon giving Consultant thirty (30) days written notice. Upon said notice, District shall pay Consultant its allowable costs incurred to date of termination and those allowable costs determined by District to be reasonably necessary to effect such termination. Upon receipt of said notice, Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If District terminates a portion of this Agreement, such termination shall not make void or invalidate the remainder of this Agreement. Thereafter, Consultant shall have no further claims against District under this Agreement. Upon termination of the Agreement pursuant to this Section, Consultant will submit an invoice to District pursuant to Section III. Consultant may terminate this Agreement, with or without cause, upon thirty (30) days written notice to District.

V. DEFAULT OF CONSULTANT

A. Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event Consultant is in default, except as provided for in Section XXI, District shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate the Agreement immediately upon written notice to Consultant.

B. If the District General Manager, or his/her designee, determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, it shall notify Consultant in writing of such default. Consultant shall have ten (10) days to cure the default by rendering a satisfactory performance. In the event Consultant fails to cure its default within such period of time, District shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice of any remedy to which District may be entitled at law, in equity or under this Agreement. Consultant shall be liable for any and all reasonable costs incurred by District as a result of such default including, but not limited to, procurement costs of the same or similar services defaulted by Consultant under this Agreement.

VI. LEGAL RELATIONSHIP BETWEEN THE PARTIES

A. The legal relationship between the Parties hereto is that of an independent contractor, and nothing herein shall be deemed to make Consultant a District employee. During the performance of this Agreement, Consultant and its officers, employees, and agents shall act in an independent capacity and shall not act as District officers, employees, or agents. The personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither District nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of its officers, employees, or agents, except as

set forth in this Agreement. Consultant, its officers, employees, or agents shall not maintain an office or any other type of fixed business location at District's offices.

B. Consultant shall not incur or have the power to incur any debt, obligation, or liability against District, or bind District in any manner.

C. No District benefits shall be available to Consultant, its officers, employees, or agents in connection with any performance under this Agreement. Except for fees paid to Consultant as provided for in this Agreement, District shall not pay salaries, wages, or other compensation to Consultant for the performance of Services under this Agreement. District shall not be liable for compensation or indemnification to Consultant, its officers, employees, or agents for injury or sickness arising out of performing Services hereunder. If for any reason, any court or governmental agency determines that District has financial obligations, other than pursuant to Section III herein, of any nature related to salary, taxes, or benefits of Consultant's officers, employees, servants, representatives, subcontractors, or agents, Consultant shall indemnify District for all such financial obligations.

VII. MODIFICATIONS AND AMENDMENTS TO AGREEMENT

No modification or amendment of this Agreement or any of the provisions hereof shall be effective for any purpose unless set forth in writing signed by duly authorized representatives of both Parties.

VIII. ASSIGNMENTS AND SUBCONTRACTING

The experience, knowledge, capability, and reputation of Consultant, its principals and employees were a substantial inducement for District to enter into this Agreement. Consultant may not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, voluntarily or by operation of law, without the prior written approval of District. Except as otherwise expressly provided in the Scope of Services (Exhibit "A"), Consultant shall not contract with any other person or entity to perform the Services required without written approval of District. If Consultant is permitted to subcontract any part of this Agreement by District, Consultant shall be responsible to District for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationships between any subcontractor and District. All persons engaged in the work will be considered employees of Consultant. District will deal directly with and will make all payments to Consultant as provided for in Section III.

IX. SUCCESSORS IN INTEREST

This Agreement shall be binding upon and inure to the benefit of the Parties' successors and assignees.

X. THIRD PARTY BENEFICIARY

Except as may be specifically provided for herein, nothing contained in this Agreement is intended to confer, nor shall this Agreement be construed as conferring, any rights, including, without limitation, any rights as third-party beneficiary or otherwise, upon any entity or person not a party hereto.

XI. INSURANCE

A. Insurance Required

Consultant shall procure and maintain the insurance described herein for the duration of this Agreement, or as otherwise specified herein, against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by Consultant, its agents, representatives, or employees. Insurance required herein shall be provided by a reputable insurance company in good standing with the State of California and having a minimum A.M. Best's Guide Rating of A-, Class VII or better. District will require Consultant to substitute any insurer whose rating drops below the levels specified herein. Such substitution shall occur within twenty (20) days of written notice to Consultant by District.

Consultant shall provide to District certificates of insurance in a form acceptable to District indicating the deductible or self-retention amounts and the expiration date of the policy, and shall provide renewal certificates not less than ten (10) days prior to the expiration of each policy term. The certificates of insurance shall specifically identify this Agreement and shall contain express conditions that District is to be given at least thirty (30) days advance written notice of any material modification in or termination of insurance. Such insurance shall be primary to and not contributing with any other insurance maintained by the Garden Grove Sanitary District, City of Garden Grove, and/or their respective board members, officers, officials, employees, agents, and volunteers. The insurance shall name the Garden Grove Sanitary District, City of Garden Grove, and their respective board members, officers, officials, employees, agents and volunteers as additional insureds by endorsement to the insurance policies. Except as expressly authorized herein, all insurance shall be on an occurrence basis.

1. Errors and Omissions Insurance

Consultant shall maintain in full force and effect throughout the term of this Agreement, standard industry form professional negligence errors and omissions insurance coverage in an amount of not less than One Million Dollars (\$1,000,000.00) per claim or per occurrence and Two Million Dollars (\$2,000,000) aggregate, in accordance with the provisions of this Section. If the policy of insurance is written on a "claims made" basis, the policy shall be continued in full force and effect at all times during the term of this Agreement, and for a period of three (3) years from the date of the completion of the Services provided hereunder. In the event of termination of the

policy during this period, Consultant shall obtain continuing insurance coverage for the prior acts or omissions of Consultant during the course of performing Services under the terms of this Agreement. The coverage shall be evidenced by either a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the present or new carrier.

In the event the policy of insurance is written on an "occurrence" basis, the policy shall be continued in full force and effect during the term of this Agreement, or until completion of the Services provided for in this Agreement, whichever is later. In the event of termination of the policy during this period, new coverage shall be obtained for the required period to ensure coverage for the prior acts of Consultant during the course of performing the Services under the terms of this Agreement.

2. Workers' Compensation

Consultant shall obtain and maintain, during the term of this Agreement, Workers' Compensation Employer's Liability Insurance in the statutory amount as required by California Law. Such worker's compensation insurance shall be endorsed to provide for a waiver of subrogation against Garden Grove Sanitary District, City of Garden Grove, and their respective board members, officers, officials, employees, agents and volunteers.

B. Minimum Limits of Insurance

Consultant shall maintain limits not less than:

1. General Liability:

\$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit. **(claims made and modified occurrence policies are not acceptable)**; Insurance companies must be acceptable to DISTRICT and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the DISTRICT.

2. Automobile Liability:

\$1,000,000 per accident combined single limit. **(claims made and modified occurrence policies are not acceptable)**; Insurance companies must be acceptable to DISTRICT and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the DISTRICT.

3. **Employer Liability:**

\$1,000,000 per accident for bodily injury or disease. (claims made and modified occurrence policies are not acceptable); Insurance companies must be acceptable to DISTRICT and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the DISTRICT.

C. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the District General Manager. At the option of the District General Manager, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Garden Grove Sanitary District, City of Garden Grove, and their respective board members, officers, officials, employees, agents and volunteers, or Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses, or Consultant shall otherwise provide an alternative satisfactory to the District General Manager.

D. Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The Garden Grove Sanitary District, City of Garden Grove, and their respective board members, officers, officials, employees, agents and volunteers are to be covered as additional insureds with respect to: liability arising out of activities and work performed by or on behalf of Consultant; products and completed operations of Consultant; premises owned occupied or used by Consultant; and automobiles owned, leased, hired, or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Garden Grove Sanitary District, the City of Garden Grove, and their respective board members, officers, officials, employees, agents, and volunteers.

2. For any claims related to this Agreement, Consultant's coverage shall be primary insurance as respects the Garden Grove Sanitary District, City of Garden Grove, and their respective board members, officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by Garden Grove Sanitary District, City of Garden Grove, and their respective board members, officers, officials, employees, agents, and volunteers shall be in excess of Consultant's insurance and shall not contribute with it.

3. Any failure to comply with reporting or other provisions of the policies, including breaches of warranties shall not affect coverage provided to the Garden Grove Sanitary District, City of Garden Grove, and their respective board members, officers, officials, employees, agents, and volunteers.

4. 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. Each insurance policy required by this Section shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, reduced in coverage or in limits, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been provided to District.

6. Consultant agrees to ensure that subcontractors, and any other parties involved with the project who are brought onto or involved in the project by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Section. Consultant agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to District for review.

E. Verification of Coverage

Consultant shall furnish District with original endorsements effecting coverage required by this Agreement. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by District before work commences.

If CONSULTANT maintains higher insurance limits than the minimums shown above, CONSULTANT shall provide coverage for the higher insurance limits otherwise maintained by the CONSULTANT.

XII. INDEMNITY

A. Indemnification

To the fullest extent permitted by law, Consultant shall indemnify, defend (at Consultant's sole cost and expense), protect and hold harmless the Garden Grove Sanitary District, the City of Garden Grove, and their respective board members, officers, officials, employees, agents, and volunteers, (individually "Indemnified Party"; collectively "Indemnified Parties") against any and all liability, claims, judgments, costs, and demands (collectively, "Claims"), including Claims arising from injuries or death of persons (Consultant's employees included) and damage to property, which Claims arise out of, pertain to, or are related to the negligence, recklessness or willful misconduct of Consultant, its agents, employees, or subcontractors, or arise from Consultant's negligent, reckless or willful performance of or failure to perform any term, provision, covenant or condition of this Agreement ("Indemnified Claims"), but Consultant's liability for Indemnified Claims shall be reduced to the extent such Claims arise from the negligence, recklessness or willful misconduct of the Garden Grove Sanitary District, the City of Garden Grove, and their board members, officers, directors, officials, employees, or agents.

Consultant shall reimburse the Indemnified Parties for any reasonable expenditures, including reasonable attorneys' fees, expert fees, litigation costs and expenses that each Indemnified Party may incur by reason of Indemnified Claims. Upon request by an Indemnified Party, Consultant will defend with legal counsel reasonably acceptable to the Indemnified Party all Claims against the Indemnified Party that may arise out of, pertain to, or relate to Indemnified Claims, whether or not Consultant is named as a party to the Claim proceeding. The determination whether a Claim may "arise out of, pertain to, or relate to" Indemnified Claims shall be based on the allegations made in the Claim and the facts known or subsequently discovered by the parties. In the event a final judgment, arbitration award, order, settlement, or other final resolution expressly determines that Claims did not arise out of, pertain to, nor relate to the negligence, recklessness or willful misconduct of Consultant to any extent, then District will reimburse Consultant for the reasonable costs of defending the Indemnified Parties against such Claims, except District shall not reimburse Consultant for attorneys' fees, expert fees, litigation costs and expenses as were incurred defending Consultant or any parties other than Indemnified Parties against such Claims.

Consultant's liability for indemnification hereunder is in addition to any liability Consultant may have to District for a breach by Consultant of any of the provisions of this Agreement. Under no circumstances shall the insurance requirements and limits set forth in this Agreement be construed to limit Consultant's indemnification obligation or other liability hereunder. The terms of this Agreement are contractual and the result of negotiation between the parties hereto. Accordingly, any rule of construction of contracts (including, without limitation, California Civil Code Section 1654) that ambiguities are to be construed against the drafting party, shall not be employed in the interpretation of this Agreement.

Consultant's indemnification obligation hereunder shall survive the expiration or earlier termination of this Agreement until all actions against the Indemnified Parties for such matters indemnified hereunder are fully and finally barred by the applicable statute of limitations or, if an action is timely filed, until such action is final. This provision is intended for the benefit of third party Indemnified Parties not otherwise a party to this Agreement.

XIII. COMPLIANCE WITH LAW

A. Consultant certifies by the execution of this Agreement the following: that it pays employees not less than the minimum wage as defined by law and that it does not discriminate in its employment with regard to race, color, religion, sex, age, marital status, ancestry, or national origin; that Consultant is in compliance with all federal and state laws, local directives, and executive orders regarding non-discrimination in employment; and that Consultant agrees to demonstrate positively and aggressively the principle of equal opportunity in employment.

B. Consultant shall keep itself informed of State and Federal laws and regulations, which in any manner affect those employed by it or in any way affect the

performance of its Services pursuant to this Agreement. Consultant shall at all times observe and comply with all such laws and regulations. The Garden Grove Sanitary District, the City of Garden Grove, and their respective board members, officers, employees, and agents shall not be liable at law or in equity for Consultant's failure to comply with such laws and regulations.

XIV. LICENSES AND QUALIFICATIONS

Consultant represents and warrants to District that it has obtained all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession. Consultant represents and warrants to District that Consultant shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval, which is legally required for Consultant to perform Services under this Agreement.

XV. CONFIDENTIALITY AND OWNERSHIP OF DOCUMENTS

A. All information gained by Consultant in the performance of this Agreement shall be considered confidential and shall not be released by Consultant without District's prior written authorization. Consultant, its officers, employees, agents or subcontractors shall not, without written authorization from the District General Manager or unless requested by District's Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the Services performed under this Agreement or relating to any project or property location within District. Response to a subpoena or court order shall not be considered "voluntary" for the purposes of this Section, provided Consultant gives District proper notice of such subpoena or court order. Consultant shall properly notify District of any summons, complaints, subpoenas, notice of deposition, request for documents, interrogatories, requests for admissions or other discovery requests received by Consultant, its officers, employees, agents or subcontractors, related to Services performed pursuant to this Agreement. District retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding, the cost of which shall be borne by District. Consultant agrees to cooperate fully with District and to provide District with an opportunity to review and respond to discovery requests provided by Consultant, arising out of Services performed pursuant to this Agreement. However, District's right to review any such request or response does not imply or mean District has the right to control, direct, write or rewrite said response.

B. The documents and study materials for this project shall become the property of District upon the termination or completion of the work. Consultant agrees to furnish to District copies of all memoranda, correspondence, computation, and study materials in its files pertaining to the work described in this Agreement, which is requested in writing by District.

XVI. INTERPRETED UNDER LAWS OF THE STATE OF CALIFORNIA

This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof. Venue for any litigation concerning this Agreement shall be in the Superior Court for the County of Orange, California.

XVII. ATTORNEYS' FEES

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees, costs, and necessary disbursements in addition to any other relief to which they may be entitled.

XVIII. WAIVER

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. Any waiver by the Parties of any default or breach of any covenant, condition, or term contained in this Agreement, shall not be construed to be a waiver of any subsequent or other default or breach, nor shall failure by the Parties to require exact, full, and complete compliance with any of the covenants, conditions, or terms contained in this Agreement be construed as changing the terms of this Agreement in any manner or preventing the Parties from enforcing the full provisions hereof.

XIX. NOTICES

All notices or other communications required or permitted hereunder shall be in writing and shall be personally delivered, sent by registered or certified mail, postage prepaid, return receipt requested, or delivered or sent by electronic transmission, and shall be deemed received upon the earlier of: (i) the date of delivery to the address of the person to receive such notice if delivered personally or by messenger or overnight courier; (ii) three (3) business days after the date of posting by the United States Post Office if by mail; or (iii) when sent if given by electronic transmission. Any notice, request, demand, direction, or other communication sent by electronic transmission must be confirmed within forty-eight (48) hours by letter mailed or delivered. Notices or other communications shall be addressed as follows:

To District: Garden Grove Sanitary District
13802 Newhope Street
Garden Grove, CA 92843
Attention: Myung Chun

To Consultant: Lee & Ro, Inc.
1199 South Fullerton Road
City of Industry, CA 91748
Attention: Mr. Dhiru Patel, P.E.

Either Party may, by written notice to the other, designate a different address, which shall be substituted for that specified above.

XX. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and supersedes all prior negotiations, arrangements, representations, and understandings, if any, made by or among the parties with respect to the subject matter hereof. No amendments or other modifications of this Agreement shall be binding unless executed in writing by both parties hereto, or their respective successors, assigns, or grantees.

XXI. FORCE MAJEURE

If either party shall be delayed or prevented from the performance of any service under this Agreement by reason of acts of God, strikes, lockouts, labor troubles, restrictive governmental laws or regulations or other cause, without fault and beyond the reasonable control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of delay, and the period for performance of any such act shall be extended for a period equivalent to the period of such delay.

XXII. TIME IS OF THE ESSENCE

The Parties agree that time is of the essence of this Agreement with respect to the deadlines set forth herein.

XXIII. SEVERABILITY

Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be invalid under the applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of that provision, or the remaining provisions of this Agreement.

XXIV. PROHIBITED INTERESTS

Consultant covenants that, for the term of this Agreement, no Board Member, official, officer or employee of District during his/her tenure in office/employment, or for one (1) year thereafter, shall have any interest, direct or indirect, in this Agreement or the proceeds thereof. Consultant warrants that it has not given or paid and will not give or pay any third party money or other consideration for obtaining this Agreement.

XXV. SCOPE CHANGES

In the event of a change in the scope of the proposed project, as requested by District, the Parties hereto shall execute an addendum to this Agreement, setting forth, with particularity, all terms of the new Agreement, including but not limited to any additional Consultant's fees.

XXVI. NON-LIABILITY OF DISTRICT OFFICERS AND EMPLOYEES

No officer, employee or board member of the District or the City of Garden Grove shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the District or for any amount which may become due to the Consultant or its successor, or for breach of any obligation of the terms of this Agreement.

XXVII. AGREEMENT EXECUTION AUTHORIZATION

Each of the undersigned represents and warrants that he or she is duly authorized to execute and deliver this Agreement and that such execution is binding upon the entity for which he or she is executing this Agreement.

XXVIII. RECITALS

The Recitals above are hereby incorporated into this section as though fully set forth herein and each party acknowledges and agrees that such Party is bound, for purposes of this Agreement, by the same.

IN WITNESS WHEREOF, this Agreement has been executed in the name of District, by its officers thereunto duly authorized, and Consultant as of the day and year first above written.

"DISTRICT"
GARDEN GROVE SANITARY DISTRICT

By: _____
Scott C. Stiles
General Manager

ATTEST:

By: _____
Teresa Pomeroy
District Secretary

APPROVED AS TO FORM:

Woodruff, Spradlin & Smart

By: _____
Omar Sandoval
Garden Grove Sanitary District
General Counsel

"CONSULTANT"
LEE & RO, INC.

By: _____
Principal

By: _____
Chief Financial Officer

