

AGREEMENT BETWEEN COUNTY OF MONTEREY AND KITCHELL/CEM, INC.

This AGREEMENT is made and entered into by and between the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County", and KITCHELL/CEM, INC, hereinafter referred to as "CONTRACTOR."

RECITALS

WHEREAS, County has invited proposals through the Request for Proposals (RFP #10492) for **Condition Assessments on Facilities Located in Monterey County, California**, in accordance with the specifications set forth in this AGREEMENT; and

WHEREAS, CONTRACTOR has submitted a responsive and responsible proposal to perform such services; and

WHEREAS, CONTRACTOR has the expertise and capabilities necessary to provide the services requested.

NOW THEREFORE, County and CONTRACTOR, for the consideration hereinafter named, agree as follows:

1.0 PERFORMANCE OF THE AGREEMENT

- 1.1 After consideration and evaluation of the CONTRACTOR'S proposal, the County hereby engages CONTRACTOR to provide the services set forth in RFP #10492 and in this AGREEMENT on the terms and conditions contained herein and in RFP #10492. The intent of this AGREEMENT is to summarize the contractual obligations of the parties. This AGREEMENT is based on the following supporting documents:

AGREEMENT

RFP # 10492 dated July 3, 2014, including all attachments and exhibits

Addendum #1, dated July 24, 2014

Addendum #2, dated July 28, 2014

Addendum #3, dated July 28, 2014

Exhibit A: List of Facilities

Exhibit B: Pricing

CONTRACTOR'S Amended Proposal dated December 9, 2014

- 1.2 These documents are on file with the Contracts/Purchasing Division.
- 1.3 All of the above-referenced documents are intended to be complementary. Work required by one of the above-referenced documents and not by others shall be done as if

required by all. In the event of a conflict between or among component parts of the contract, the contract documents shall be construed in the following order: AGREEMENT, RFP #10492, Addenda #1, 2, 3, Exhibit A: List of Facilities, Exhibit B: Pricing, CONTRACTOR'S Amended Proposal, including all attachments and exhibits.

- 1.4 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this AGREEMENT are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this AGREEMENT and are not employees of the County, or immediate family of an employee of the County.
- 1.5 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this AGREEMENT that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
 - 1.5.1 CONTRACTOR must maintain all licenses throughout the term of the AGREEMENT.
- 1.6 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this AGREEMENT, except as otherwise specified in this AGREEMENT. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this AGREEMENT.

2.0 SCOPE OF SERVICE

- 2.1 Contractor Minimum Work Performance Percentage: CONTRACTOR shall perform with his own organization contract work amounting to not less than 50 percent of the original total contract price, except that any designated 'Specialty Items' may be performed by subcontract and the amount of any such 'Specialty Items' so performed may be deducted from the original total AGREEMENT price before computing the amount of work required to be performed by CONTRACTOR with its organization.
- 2.2 The Scope of Work includes but is not limited to the following:
 - 2.2.1 CONTRACTOR shall assess 73 County facilities and related structures over the term of the AGREEMENT.
 - 2.2.2 CONTRACTOR shall perform assessments of buildings, systems, and major components while they are in operation. For each building or structure evaluated the deliverables shall include at a minimum the following reports:
 - 2.2.2.1 Two draft hard copies and one soft copy in Microsoft WORD 2007 for each of two draft review cycles.
 - 2.2.2.2 Final submittal shall consist of one hardcopy original and two copies in 8-1/2 x 11 formats and one soft copy in Microsoft WORD 2007 that include:

- 2.2.2.2.1 An estimate, with supporting discussion, on the remaining useful life of each building and major systems within the building; and
 - 2.2.2.2.2 Listing of building system and component items evaluated with identifying descriptive detail; and
 - 2.2.2.2.3 Detailed listing and description of building, system and component and the condition and deficiencies of each item; and
 - 2.2.2.2.4 Prioritized repair/replacement schedules by building, system and component deficiencies, using prioritization system agreed to with County; and
 - 2.2.2.2.5 A Facility Condition Index (FCI) for each building or structure with defined values indicating good, average, and poor indices; and
 - 2.2.2.2.6 Budget level cost estimates for asset repair or replacement suitable for major maintenance, capital renewal and capital replacement budgeting.
- 2.2.3 CONTRACTOR shall assess the following systems, as applicable to the building or structure:
- 2.2.3.1 All roof space
 - 2.2.3.2 Exteriors, including fenestrations
 - 2.2.3.3 Interiors (walls, doors, flooring, finishes, painting)
 - 2.2.3.4 Mechanical (HVAC)
 - 2.2.3.5 Electrical (supply and distribution)
 - 2.2.3.6 Plumbing (supply and waste system)
 - 2.2.3.7 Fire/life safety protection systems
 - 2.2.3.8 Specialties (kitchen, laundry, and other specific-use capital equipment)
 - 2.2.3.9 Site (grounds, paving systems, drainage, landscape irrigation)
 - 2.2.3.10 Obvious structural anomalies such as cracks in foundations, concrete or masonry walls and columns, wood rot, sagging structural members, extensive water damage, etc.
 - 2.2.3.11 Any conditions immediately dangerous to life or health.
- 2.2.4 The following services shall not be included within the approved scope:
- 2.2.4.1 Use of a camera or other invasive means to assess underground or hidden systems.
 - 2.2.4.2 Determine compliance with ADA.
 - 2.2.4.3 Determine compliance with any County or State code such as building, mechanical, electrical, or plumbing.
 - 2.2.4.4 Provide structural, seismic, or other engineering reports
- 2.2.5 County shall provide the following services:
- 2.2.5.1 A list of buildings to be assessed with address
 - 2.2.5.2 Drawings and information regarding systems age, and known problems, as available.

2.2.5.3 Access to building systems areas such as mechanical and electrical rooms, roofs, central plants, and other secured areas.

3.0 TERM OF AGREEMENT

- 3.1 The term of the AGREEMENT(s) shall be for a period of six (6) months beginning with the execution of the AGREEMENT with the option to extend the AGREEMENT for three (3) months.
 - 3.1.1 County is not required to state a reason if it elects not to renew.
- 3.2 If County exercises its option to extend, all applicable parties shall mutually agree upon the extension, including any changes in rate and/or terms and conditions in writing.
- 3.3 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.
- 3.4 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.
- 3.5 The County's payments to CONTRACTOR under this Agreement are funded by local, state, and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying the Agreement.

4.0 COMPENSATION AND PAYMENTS

- 4.1 It is mutually understood and agreed by both parties that CONTRACTOR shall be compensated under this AGREEMENT in accordance with the pricing sheet attached hereto as **Exhibit B**, subject to the limitations set forth in this AGREEMENT. The total amount payable by County to CONTRACTOR under this AGREEMENT is not to exceed the sum of **\$165,000**.

- 4.2 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided herein. County does not guarantee any minimum or maximum amount of dollars to be spent under this AGREEMENT.
- 4.3 Tax:
- 4.3.1 Pricing as per this AGREEMENT is inclusive of all applicable taxes.
- 4.3.2 County is registered with the Internal Revenue Service, San Francisco office, and registration number 94-6000524. The County is exempt from Federal Transportation Tax; an exemption certificate is not required where shipping documents show Monterey County as consignee.

5.0 INVOICES AND PURCHASE ORDERS

- 5.1 Invoices for all services rendered per this AGREEMENT shall be billed directly to the **Resource Management Agency-Public Works** department at the following address:
168 West Alisal Street, 2nd Floor
Salinas, CA 93901
- 5.2 CONTRACTOR shall reference RFP #10492 on all invoices submitted to County. CONTRACTOR shall submit such invoices periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. County shall certify the invoice, either in the requested amount or in such other amount as County approves in conformity with this AGREEMENT, and shall promptly submit such invoice to County Auditor-Controller for payment. County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.
- 5.3 All County of Monterey Purchase Orders issued for the AGREEMENT are valid only during the fiscal year in which they are issued (the fiscal year is defined as July 1 through June 30).
- 5.4 Unauthorized Surcharges or Fees: Invoices containing unauthorized surcharges or unauthorized fees of any kind shall be rejected by County. Surcharges and additional fees not included in the AGREEMENT must be approved by County in writing via an Amendment.

6.0 DESIGN PROFESSIONAL INDEMNIFICATION

- 6.1 For purposes of the following indemnification provisions (“Indemnification AGREEMENT”), “design professional” has the same meaning as set forth in California Civil Code section 2782.8. If any term, provision or application of this Indemnification AGREEMENT is found to be invalid, in violation of public policy or unenforceable to

any extent, such finding shall not invalidate any other term or provision of this Indemnification AGREEMENT and such other terms and provisions shall continue in full force and effect. If there is any conflict between the terms, provisions or application of this Indemnification AGREEMENT and the provisions of California Civil Code Sections 2782 or 2782.8, the broadest indemnity protection for County under this Indemnity AGREEMENT that is permitted by law shall be provided by CONTRACTOR.

6.2 Indemnification for Design Professional Services Claims:

CONTRACTOR shall indemnify, defend and hold harmless County, its governing board, directors, officers, employees, and agents against any claims that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of CONTRACTOR, its employees, subcontractors, and agents in the performance of design professional services under this AGREEMENT, excepting only liability arising from the sole negligence, active negligence or willful misconduct of County, or defect in a design furnished by County.

6.3 Indemnification for All Other Claims or Loss:

For any claim, loss, injury, damage, expense or liability other than claims arising out of CONTRACTOR's performance of design professional services under this AGREEMENT, CONTRACTOR shall indemnify, defend and hold harmless COUNTY, its governing board, directors, officers, employees, and agents against any claim for loss, injury, damage, expense or liability resulting from or alleging injury to or death of any person or loss of use of or damage to property, arising from or related to the performance of services under this AGREEMENT by CONTRACTOR, its employees, subcontractors or agents, excepting only liability arising from the sole negligence, active negligence or willful misconduct of COUNTY, or defect in a design furnished by COUNTY.

7.0 INSURANCE REQUIREMENTS

7.1 Evidence of Coverage:

7.1.1 Prior to commencement of this AGREEMENT, CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition CONTRACTOR upon request shall provide a certified copy of the policy or policies.

7.1.2 This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. CONTRACTOR shall not receive a "Notice to Proceed" with the work under this AGREEMENT until it has obtained all insurance required and such, insurance has been approved by County. This approval of insurance shall neither relieve nor decrease the liability of CONTRACTOR.

- 7.2 Qualifying Insurers: All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by County's Purchasing Officer.
- 7.3 Insurance Coverage Requirements:
- 7.3.1 Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this AGREEMENT a policy or policies of insurance with the following minimum limits of liability:
- 7.3.1.1 Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.
- 7.3.2 Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this AGREEMENT, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.
- 7.3.3 Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this AGREEMENT, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.
- 7.3.4 Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, CONTRACTOR shall, upon the expiration or earlier termination of this AGREEMENT, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this AGREEMENT.
- 7.4 Other Insurance Requirements:
- 7.4.1 All insurance required by this AGREEMENT shall be with a company acceptable to County and issued and executed by an admitted insurer authorized to transact

Insurance business in the State of California. Unless otherwise specified by this AGREEMENT, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this AGREEMENT.

- 7.4.2 Each liability policy shall provide that County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this AGREEMENT, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.
- 7.4.3 Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.
- 7.4.4 Prior to the execution of this AGREEMENT by County, CONTRACTOR shall file certificates of insurance with County's contract administrator and County's Contracts/Purchasing Division, showing that CONTRACTOR has in effect the insurance required by this AGREEMENT. CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this AGREEMENT, which shall continue in full force and effect.
- 7.4.5 CONTRACTOR shall at all times during the term of this AGREEMENT maintain in force the insurance coverage required under this AGREEMENT and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this AGREEMENT, which entitles County, at its sole discretion, to terminate this AGREEMENT immediately.

8.0 RECORDS AND CONFIDENTIALITY

- 8.1 Confidentiality: CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this AGREEMENT, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this AGREEMENT except for the sole purpose of carrying out CONTRACTOR's obligations under this AGREEMENT.
- 8.2 County Records: When this AGREEMENT expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this AGREEMENT.
- 8.3 Maintenance of Records: CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this AGREEMENT.
- 8.4 Access to and Audit of Records: County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of CONTRACTOR and its subcontractors related to services provided under this AGREEMENT. The parties to this AGREEMENT may be subject, at the request of County or as part of any audit of County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this AGREEMENT for a period of three years after final payment under the AGREEMENT.

9.0 NON-DISCRIMINATION

- 9.1 During the performance of this contract, CONTRACTOR shall not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sex, or sexual orientation. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment are free of such discrimination. CONTRACTOR shall comply with the provisions of the Fair Employment and Housing Act (Government Code, §12900, et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, §7285.0, et seq.).
- 9.2 The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, §12900, et seq., set forth in Chapter 5 of Division 4 of

Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full.

- 9.3 CONTRACTOR shall include the non-discrimination and compliance provisions of the clause in all AGREEMENTs with subcontractors to perform work under the contract.

10.0 OVERRIDING CONTRACTOR PERFORMANCE REQUIREMENTS

- 10.1 Independent Contractor: In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and states income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes. CONTRACTOR shall control the manner and means of accomplishing the result contracted for herein.
- 10.2 Assignment and Subcontracting: The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.
- 10.3 Any subcontractor shall comply with all of County of Monterey requirements, including insurance and indemnification requirements as detailed in this AGREEMENT.

11.0 CONFLICT OF INTEREST

- 11.1 CONTRACTOR covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this AGREEMENT. Without limitation, CONTRACTOR represents to and agrees with COUNTY that CONTRACTOR has no present, and will have no future, conflict of interest between providing COUNTY services hereunder and any other person or entity (including but not limited to any federal or state environmental or regulatory agency) which has any interest adverse or potentially adverse to COUNTY, as determined in the reasonable judgment of the Board of Supervisors of COUNTY.

- 11.2 CONTRACTOR agrees that any information, whether proprietary or not, made known to or discovered by it during the performance of or in connection with this AGREEMENT for COUNTY will be kept confidential and not be disclosed to any other person. CONTRACTOR agrees to immediately notify COUNTY in accordance with the Notices Section of this AGREEMENT, if it is requested to disclose any information made known to or discovered by it during the performance of or in connection with this AGREEMENT. These conflict of interest and future service provisions and limitations shall remain fully effective five (5) years after termination of services to COUNTY hereunder.

12.0 COMPLIANCE WITH APPLICABLE LAWS

- 12.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.
- 12.2 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.
- 12.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations and guidelines that are in force at the time such documentation is prepared.

13.0 DRUG FREE WORKPLACE

- 13.1 CONTRACTOR and CONTRACTOR's employees shall comply with the COUNTY'S policy of maintaining a drug free workplace. Neither CONTRACTOR nor CONTRACTOR'S employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any COUNTY facility or work site. If CONTRACTOR or any employee of CONTRACTOR is convicted or pleads nolo contendere to a criminal drug statute violation occurring at a COUNTY facility or work site, the CONTRACTOR shall, within five days thereafter notify the head of the COUNTY department/agency for which the AGREEMENT services are performed. Violation of this provision shall constitute a material breach of this AGREEMENT.

14.0 TIME OF ESSENCE

- 14.1 Time is of the essence in respect to all provisions of this AGREEMENT that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this AGREEMENT.

15.0 PERFORMANCE ASSURANCE AND WAIVER OF BREACH

- 15.1 Assurance of Performance: If at any time County believes CONTRACTOR may not be adequately performing its obligations under this AGREEMENT or that CONTRACTOR may fail to complete the Services as required by this AGREEMENT, County may request from CONTRACTOR prompt written assurances of performance and a written plan acceptable to County, to correct the observed deficiencies in CONTRACTOR'S performance. CONTRACTOR shall provide such written assurances and written plan within ten (10) calendar days of its receipt of County's request and shall thereafter diligently commence and fully perform such written plan. CONTRACTOR acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this AGREEMENT. If County accepts the plan it shall issue a signed waiver.

- 15.1.1 Waiver: No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this AGREEMENT shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

16.0 RIGHTS AND REMEDIES OF THE COUNTY FOR DEFAULT

- 16.1 In the case of default by CONTRACTOR, County may procure the articles or services from other sources and may recover the loss occasioned thereby from any unpaid balance due to CONTRACTOR or by proceeding against any performance bond of CONTRACTOR, if any, or by suit against CONTRACTOR. The prices paid by County shall be considered the prevailing market price at the time such purchase(s) may be made. Inspections of deliveries or offers for deliveries that do not meet specifications shall be made at the expense of CONTRACTOR.

17.0 FORCE MAJEURE

- 17.1 "Force Majeure" means any cause beyond the reasonable control of a party, including but not limited to acts of God, civil or military disruption, fire, strike, flood, riot, war, or inability due to the aforementioned causes to obtain necessary labor, materials or facilities.
- 17.2 If any party hereto is delayed or prevented from fulfilling its obligations under this AGREEMENT by Force Majeure, said party will not be liable under this AGREEMENT for said delay or failure, nor for damages or injuries resulting directly from the inability to perform scheduled work due to Force Majeure.
- 17.3 CONTRACTOR shall be granted an automatic extension of time commensurate with any delay in performing scheduled work arising from Force Majeure. CONTRACTOR agrees to resume such work within three (3) days after the Force Majeure has subsided enough to do so.

18.0 INFORMATION PORTABILITY AND ACCOUNTABILITY ACT— HIPAA COMPLIANCE

- 18.1 CONTRACTOR agrees to operate its business in a manner as necessary to permit County to comply with its obligations under the Health Insurance Portability and Accountability Act of 1996, Subtitle F, Public Law 104-191, relating to the privacy and security of confidential health information, and any final regulations or rules promulgated by the U.S. Department of Health and Human Services thereunder (collectively, the "HIPAA Standards").

19.0 BACKGROUND CHECKS

- 19.1 CONTRACTOR shall be required to submit appropriate State level criminal background clearance(s) for all personnel required to work within County facilities that are deemed restricted or high security, including but not limited to the Sheriff's Office, Probation Department, 911 Center, and District Attorney's Office.
- 19.1.1 A California licensed Investigator must perform the required State level criminal background check(s) which must then be submitted to County prior to the personnel being allowed to work within such County facilities.
- 19.1.2 CONTRACTOR is responsible for the cost of the State level criminal background check(s).
- 19.1.3 EXCEPTION: personnel who are designated to provide services at any of the Sheriff's facilities are required to undergo fingerprinting and background checks through the Sheriff's main office, at no cost to CONTRACTOR.

- 19.2 The required background checks SHALL be completed prior to allowing the personnel to work within any of the limited access facilities.

20.0 WARRANTY BY CONTRACTOR

- 20.1 CONTRACTOR shall fully warrant all materials, equipment, and service against poor and inferior quality or workmanship for a period of not less than one (1) year from date of final acceptance by the COUNTY. Time is of the essence of this AGREEMENT. CONTRACTOR shall repair or replace any inoperable materials or equipment in a timely manner during warranty period.

21.0 ACCESSIBILITY

- 21.1 CONTRACTOR shall inform itself regarding any peculiarities and limitations of the spaces available for the installation of all work and materials furnished and installed under the AGREEMENT. CONTRACTOR shall exercise due and particular caution to determine that all parts of CONTRACTORS work are made quickly and easily accessible.

22.0 DAMAGE

- 22.1 The CONTRACTOR shall be held responsible for any breakage, loss of the COUNTY's equipment or supplies through negligence of the CONTRACTOR or his employee while working on the COUNTY's premises. The CONTRACTOR shall be responsible for restoring/replacing any equipment, facilities, etc. so damaged. The CONTRACTOR shall immediately report to the COUNTY any damages to the premises resulting from services performed under this AGREEMENT.

23.0 NOTICES

- 23.1 Notices required to be given to the respective parties under this AGREEMENT shall be deemed given by any of the following means: (1) when personally delivered to County's contract administrator or to CONTRACTOR'S responsible officer; (2) when personally delivered to the party's principle place of business during normal business hours, by leaving notice with any person apparently in charge of the office and advising such person of the import and contents of the notice; (3) 24 hours after the notice is transmitted by FAX machine to the other party, at the party's FAX number specified pursuant to this AGREEMENT, provided that the party giving notice by FAX must promptly confirm receipt of the FAX by telephone to the receiving party's office; or, (4) three (3) days after the notice is deposited in the U. S. mail with first class or better postage fully paid, addressed to the party as indicated below.

Notices mailed or faxed to the parties shall be addressed as follows:

TO COUNTY:

Contracts/Purchasing Officer
County of Monterey, Contracts/Purchasing
168 W. Alisal Street, 3rd Floor.
Salinas, CA 93901-2439
Tel. No.: (831) 755-4990
FAX No.: (831) 755-4969
derrm@co.monterey.ca.us

TO CONTRACTOR:

Heather Brown, PE, LEED AP, CPMP
Kitchell/CEM, Inc.
255 West Julian Street, Suite 400
San Jose, CA 95110
Tel. No.: (408) 280-7889
FAX No.: (408) 280-7192
hbrown@kitchell.com

24.0 LEGAL DISPUTES

- 24.1 CONTRACTOR agrees that this AGREEMENT and any dispute arising from the relationship between the parties to this AGREEMENT, shall be governed and interpreted by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.
- 24.2 Any dispute that arises under or relates to this AGREEMENT (whether contract, tort, or both) shall be resolved in the Superior Court of California in Monterey County, California.
- 24.3 CONTRACTOR shall continue to perform under this AGREEMENT during any dispute.
- 24.4 The parties agree to waive their separate rights to a trial by jury. This waiver means that the trial will be before a judge.

25.0 MISCELLANEOUS PROVISIONS


- 25.1 Amendment: This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.
- 25.2 Waiver: Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 25.3 Contractor: The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees action on CONTRACTOR's behalf in the performance of this Agreement.

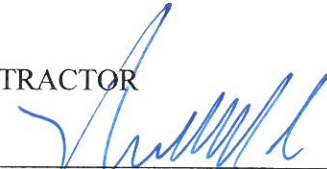
- 25.4 Successors and Assigns: This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 25.5 Headings: The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 25.6 Construction of Agreement: The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 25.7 Counterparts: This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 25.8 Authority: Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 25.9 Integration: This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.
- 25.10 Interpretation of Conflicting Provisions: In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

IN WITNESS WHEREOF, the County and CONTRACTOR execute this AGREEMENT as follows:

MONTEREY COUNTY

CONTRACTOR

Depty

Contracts/Purchasing Officer

By: 
Signature of Chair, President, or Vice-President

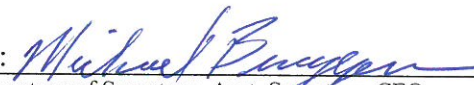
Dated: 3/18/15

Russell Fox, President
Printed Name and Title

Approved as to Fiscal Provisions:

Dated: 1/20/2015


Deputy Auditor/Controller

By: 
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)*

Dated: 1-26-15

MICHAEL BRUGGEMAN, ASST SECRETARY
Printed Name and Title

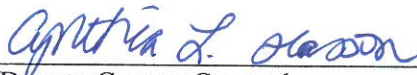
Approved as to Liability Provisions:

Risk Management

Dated: 1/20/2015

Dated: _____

Approved as to Form:


Deputy County Counsel

Dated: 1/23/15

County Board of Supervisors' Agreement Number: _____.

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

EXHIBIT A – LIST OF FACILITIES

	Department	Address	City	County Purpose	Sq. Ft.
1	Administration - Government Center	168 West Alisal Street	Salinas	General Office & Jury Assembly	136,500
2	Agricultural Commissioner - Administration	1428 Abbott Street	Salinas	General Office	25,278
3	Agricultural Commissioner - Coop Extension	1432 Abbott Street	Salinas	General Office & Conference	8,949
4	Agricultural Commissioner - King City Office	522 North Second Street	King City	General Office	1,680
5	Agricultural Commissioner - King City Shop/Storage	522 North Second Street	King City	Shop & Material Storage	4,296
6	District Attorney - Administration	230 Church Street Modular # 2	Salinas	General Office	8,700
7	District Attorney - Investigations	2620 First Avenue	Marina	General Office	1,200
8	District Attorney - Offices	230 Church Street, Modular # 3	Salinas	General Office	17,711
9	Health - Animal Shelter (land leased from City of Salinas)	160 Hitchcock Road	Salinas	General Office & Animal Shelter	13,000
10	Health - Behavioral Health (Marina Office)	298 Twelfth Street	Marina	General Office	23,359
11	Health - Broadway Health Center	1292 Olympia Avenue	Seaside	Health Care Services	4,500
12	Health - Monterey Courthouse Annex	1200 Aguajito Road	Monterey	General Office	24,210
13	Health - New Administration Building	1270 Natividad Road	Salinas	General Office & Lab	47,600
14	Information Technology	1590 Moffett Street	Salinas	General Office & Communications	31,980
15	Library - Big Sur (Modular)	Highway 1 Ripplewood Resort	Big Sur	Library	816
16	Library - Castroville w/ District 2 Supervisor (New)	11140-11160 Speegle Street	Castroville	Library & General Office	13,750
17	Library - Greenfield	315 El Camino Real	Greenfield	Library	7,489
18	Library - Parkfield (Modular)	Parkfield School	Parkfield	Library	800
19	Natividad Medical Center - New Complex (11 Bldgs.)	1441 Constitution Boulevard	Salinas	County Hospital	472,097
20	Natividad Medical Center - Old Complex (11 Bldgs.)	1330 Natividad Road	Salinas	Mixed	134,135
21	Office of Emergency Services - 911	1322 Natividad Road	Salinas	General Office & Communications	16,396
22	Parks - Headquarters	855 East Laurel Drive, Building G	Salinas	General Office	2,880
23	Parks - Jack's Peak Park (10 Buildings)	25020 Jack Peaks Park Road	Monterey	Recreation Facilities	2,528
24	Parks - Leguna Seca (43 Buildings)	1025 Highway 68	Salinas	Recreation Facilities	40,820
25	Parks - Manzanita Park (3 Buildings)	1700 Castroville Boulevard	Salinas	Recreation Facilities	440
26	Parks - Royal Oaks Park (9 Buildings)	537 Maher Road	Watsonville	Recreation Facilities	4,914
27	Parks - San Antonio Lake, North Shore (19 Building)	Star Route Box 2091	Bradley	Recreation Facilities	12,532
28	Parks - San Antonio Lake, South Shore (43 Buildings)	Star Route 2610 SS	Bradley	Recreation Facilities	22,273
29	Parks - San Lorenzo Park (30 Buildings)	1160 Broadway	King City	Recreation Facilities	37,808
30	Parks - Toro Park (16 Buildings)	501 Monterey/Salinas Hwy 68	Salinas	Recreation Facilities	18,576

31	Probation - Headquarters & Adult Services	20 E. Alisal Street	Salinas	General Office	28,850
32	Probation - Juvenile Services	1422 Natividad Road	Salinas	General Office	22,565
33	Probation - Rancho Cielo (100 ac. lease)	700-710 Old Stage Road	Salinas	Juvenile Rehabilitation	22,483
34	Probation - Silver Star Program	855 East Laurel Drive, Building H	Salinas	General Office	7,320
35	Probation - Youth Center	970 Circle Drive	Salinas	Juvenile Detention	26,818
36	Probation - Youth Center (School)	970 Circle Drive	Salinas	Juvenile Detention	5,400
37	Public Defender	111 West Alisal Street, Modular # 4	Salinas	General Office	8,650
38	Public Works - Collocation with IT & WRA	855 East Laurel Drive, Building D	Salinas	General Office & Shop	14,400
39	Public Works - Environmental Services & Bridge Maintenance	855 East Laurel Drive, Building F	Salinas	General Office & Shop	3,750
40	Public Works - Facilities (Grounds Shop)	855 East Laurel Drive	Salinas	Shop & Material Storage	1,420
41	Public Works - Facilities (Project Staging Area)	312 East Alisal Street	Salinas	Shop & Material Storage	27,155
42	Public Works - Facilities (Mail Operations and IT Radio)	855 East Laurel Drive, Building C	Salinas	General Office & Shop	20,100
43	Public Works - Fleet Management	855 East Laurel Drive, Building A	Salinas	General Office & Shop	12,157
44	Public Works - Fleet Management (Fuel Garage)	855 East Laurel Drive	Salinas	Shop & Material Storage	2,016
45	Public Works - Fleet Management (Fuel Island)	855 East Laurel Drive	Salinas	Fuel Station	1,221
46	Public Works - Greenfield Yard (Office)	41801 East Elm Avenue	Greenfield	General Office	620
47	Public Works - Greenfield Yard (Shop & Storage)	41801 East Elm Avenue	Greenfield	Shop & Material Storage	3,960
48	Public Works - King City Yard (Office)	522 North Second Street	King City	General Office	310
49	Public Works - King City Yard (Shop & Storage)	522 North Second Street	King City	Shop & Material Storage	3,240
50	Public Works - Road District & Traffic Maintenance	855 East Laurel Drive, Building B	Salinas	General Office & Storage	12,100
51	Public Works - Road Maintenance	855 East Laurel Drive, Building E	Salinas	General Office & Shop	12,100
52	Public Works - San Ardo Yard	Jolon Road & Main Street	San Ardo	General Office & Shop	1,931
53	Public Works - San Miguel Canyon Road Yard	1171 San Miguel Canyon Road	Salinas	General Office & Shop	4,235
54	Redevelopment & Housing - Child & Family Resource Center	10601 McDougall Street	Castroville	Community Center & General Office	5,000
55	Redevelopment & Housing - FORA Prop. (leased to Ord Market)	2700 Imjin Road	Marina	Convenience Store	4,700
56	Redevelopment & Housing - Pajaro Community Center	29-A Bishop Street	Watsonville	Community Center	3,385
57	Redevelopment & Housing - Porter Vallejo Mansion	29 Bishop Street	Watsonville	General Office	9,624
58	Redevelopment & Housing - Porter Vallejo Mansion (Water Tower)	29-A Bishop Street	Watsonville	Historical Structure	324
59	Redevelopment & Housing - Japanese School Site	Gell Street and Pajaro Street	Castroville	Historical Structure	1,560
60	Sheriff - Adult Rehabilitation	1412 Natividad Road	Salinas	Adult Detention	5,944
61	Sheriff - Correctional	1410 Natividad Road	Salinas	Adult Detention	38,666
62	Sheriff - New Jail	1410 Natividad Road	Salinas	Adult Detention	167,289
63	Sheriff - Public Safety Building	1414 Natividad Road	Salinas	General Office	85,125
64	Sheriff - Storage	1414 Natividad Road	Salinas	Warehouse	4,288
65	Social & Employment Services - w/DA, PBI & District 4 Supervisor	2620 First Avenue	Marina	General Office	13,300

	Social & Employment Services - FS	1 Medical Drive	Salinas	Family Social Services	5,520
66	Social & Employment Services - Seaside District Office	1281 Broadway Avenue	Seaside	General Office	10,888
67	County Training and Law Library	230 Church Street, Modular # 1	Salinas	Offices and Library	9,420
68	Superior Court - King City Courthouse	250 Franciscan Way	King City	Courts & General Office	12,497
69	Superior Court - Monterey Courthouse	1200 Aguajito Road	Monterey	Courts & General Office	57,291
70	Superior Court - Parking Structure	1200 Aguajito Road	Monterey	Parking Structure	34,200
71	Vacant (Former GSD Printing/Mail Services)	1220 Natividad Road	Salinas	To be determined.	5,446
72	Vacant (Former Juvenile Center)	1352 Natividad Road	Salinas	Surplus Furniture Storage	16,460
73					
				Total Square Footage	1,870,945

EXHIBIT B – PRICING

**Per amended cost proposal submitted by Kitchell/CEM, Inc. on December 9th, 2014.*

	Report Type
Square Footage	Basic (per SF)
Up to 30,000	\$0.22
30,000-49,999	\$0.17
50,000-99,999	\$0.12
100,000-199,999	\$0.10
200,000-299,999	\$0.08
300,000-399,999	\$0.05
400,000-499,999	\$0.04
500,000 and above	\$0.03



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/29/2015

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 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 ACIG Insurance Agency, Inc. 2600 N. Central Expwy. Suite 800 Richardson, TX 75080 www.acig.com	CONTACT NAME:	
	PHONE (A/C, No, Ext): 972-702-9004	FAX (A/C, No): 972-687-0604
E-MAIL ADDRESS: accountmanagers@acig.com		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURED Kitchell CEM, Inc. 2750 Gateway Oaks, Suite 300 Sacramento CA 95833		
INSURER A:		
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F: Steadfast Insurance Company		26387

COVERAGES

CERTIFICATE NUMBER: 23239793

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/PROP AGG \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input type="checkbox"/> N N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
F	Contractor Professional/Pollution Liability		EOC 3999322-06	6/1/2014	6/1/2015	Per Claim \$1,000,000 *Aggregate \$2,000,000

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

Re: Agreement - Condition Assessments on Facilities located in Monterey County, CA.
 Professional/Pollution *Aggregate limit is total insurance available for all claims presented within the policy period for operations of insured. Limit will be reduced by payments of indemnity and/or expenses.

CERTIFICATE HOLDER

Agreement - Condition Assessments

County of Monterey
 Contracts/Purchasing Department
 168 West Alisal Street, 3rd Floor
 Salinas CA 93901

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

Michael J. O'Neill

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ACORD 25 (2014/01)

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/29/2015

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PRODUCER ACIG Insurance Agency, Inc. 2600 N. Central Expwy. Suite 800 Richardson, TX 75080 www.acig.com	CONTACT NAME: PHONE (A/C, No, Ext): 972-702-9004 FAX (A/C, No): 972-687-0604 E-MAIL ADDRESS: accountmanagers@acig.com	
	INSURER(S) AFFORDING COVERAGE	
INSURED Kitchell CEM, Inc. 2750 Gateway Oaks, Suite 300 Sacramento CA 95833	INSURER A: American Contractors Ins. Co. RRG NAIC # 12300	
	INSURER B: ACIG Insurance Company NAIC # 19984	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES

CERTIFICATE NUMBER: 23238101

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	GL14P00002 primary GL14PX0002 excess follow form	6/1/2014	6/1/2017	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COM/POP AGG \$ 4,000,000
GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:							
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
B	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	N/A	WCA000006814	6/1/2014	6/1/2015	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

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

Re: Agreement - Condition Assessments on Facilities located in Monterey County, CA.
 GL - If these policies are cancelled, non-renewed or materially changed, 60 days notice, except 10 days for nonpayment of premium, will be mailed to the Certificate Holder.
 WC - If these policies are cancelled, non-renewed or materially changed, 60 days notice, except 10 days for nonpayment of premium, will be mailed to the Certificate Holder.

CERTIFICATE HOLDER**CANCELLATION**

Agreement - Condition Assessments County of Monterey Contracts/Purchasing Department 168 West Alisal Street, 3rd Floor Salinas CA 93901	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 Michael J. O'Neill
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ACORD 25 (2014/01)

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CERTIFICATE OF LIABILITY INSURANCE

6/1/2015

DATE (MM/DD/YYYY)

1/29/2015

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PRODUCER Lockton Companies 8110 E. Union Avenue Suite 700 Denver CO 80237 (303) 414-6000	CONTACT NAME: _____ PHONE (A/C, No. Ext): _____ FAX (A/C, No): _____ E-MAIL ADDRESS: _____													
	<table border="1"> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: The Travelers Indemnity Company</td> <td>25658</td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: The Travelers Indemnity Company	25658	INSURER B:		INSURER C:		INSURER D:		INSURER E:		INSURER F:
INSURER(S) AFFORDING COVERAGE	NAIC #													
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INSURER B:														
INSURER C:														
INSURER D:														
INSURER E:														
INSURER F:														
INSURED 1328704 Kitchell CEM Inc. 2750 Gateway Oaks Drive, Suite #300 Sacramento, CA 95833														

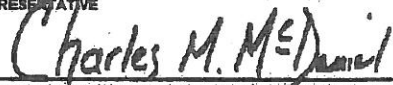
COVERAGES KITCO02 CERTIFICATE NUMBER: 13332739 REVISION NUMBER: XXXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR _____ GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: _____			NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX DAMAGE TO RENTED PREMISES (Ea occurrence) \$ XXXXXXXX MED EXP (Any one person) \$ XXXXXXXX PERSONAL & ADV INJURY \$ XXXXXXXX GENERAL AGGREGATE \$ XXXXXXXX PRODUCTS - COM/POP AGG \$ XXXXXXXX \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	N	N	DT8105E496169	6/1/2014	6/1/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$ XXXXXXXX
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED _____ RETENTION \$ _____			NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX AGGREGATE \$ XXXXXXXX \$ XXXXXXXX
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	NOT APPLICABLE			<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ XXXXXXXX E.L. DISEASE - EA EMPLOYEE \$ XXXXXXXX E.L. DISEASE - POLICY LIMIT \$ XXXXXXXX
A	Hired Auto Physical Damage	N	N	DT8105E496169	6/1/2014	6/1/2015	Comp. Ded. \$1,000 Coll. Ded. \$1,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 THIS CERTIFICATE SUPERSEDES ALL PREVIOUSLY ISSUED CERTIFICATES FOR THIS HOLDER, APPLICABLE TO THE CARRIERS LISTED AND THE POLICY TERM(S) REFERENCED.
 Agreement - Condition Assessments on Facilities located in Monterey County, California

CERTIFICATE HOLDER**CANCELLATION**

13332739 County of Monterey Contracts/Purchasing Department 168 West Alisal Street, 3rd Floor Salinas, CA 93901	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 

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ADDITIONAL INSURED – AUTOMATIC STATUS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Any person or organization that you are required by contract to include as an additional insured on this policy if the contract is executed prior to the loss.

- A. Who is an Insured (Section II) is amended to include as an insured any person or organization shown in the above SCHEDULE (called additional insured), but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of your premises or your operations for the additional insured.
- B. The insurance provided to the additional insured is subject to the following limitations:
1. Unless required by written contract, this insurance does not apply to "bodily injury" or "property damage" occurring after "your work" for the additional insured has been completed or after that portion of "your work" out of which the "bodily injury" or "property damage" arises has been put to its intended use by any person or organization.
 2. Unless required by written contract, this insurance does not apply to "bodily injury" or "property damage" arising out of the sole negligence, act or omission of the additional insured.
 3. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" for which the additional insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement except to the extent that the additional insured would have been obligated to pay such damages in the absence of the contract or agreement.
 4. This insurance is excess to any other insurance, whether primary, excess, contingent or on any other basis, available to the additional insured unless a written contract requires that this insurance be primary or primary and non-contributing. However, this insurance is always excess to other insurance, whether primary, excess, contingent or on any other basis, when the additional insured has been added to the other insurance as an additional insured.
 5. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering or failure to render any professional services, including:
 - a) The preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or,
 - b) Supervisory, inspection or engineering services.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any professional services by you or on your behalf with respect to the operations described above.
 6. This endorsement shall not apply to a person or organization if any other additional insured endorsement attached to this policy specifically applies to that person or organization.
 7. The insurance afforded herein only applies to the extent permitted by applicable state law, including statutes governing additional insured coverage in the construction industry.
- C. This insurance shall not exceed the scope of coverage, including limits, of this policy and in no event shall the insurance provided to the additional insured exceed the scope of coverage, including limits, required by the contract. If a written contract or agreement requires that additional insured status be provided by the use of ISO CG20101185, then the terms of that endorsement are incorporated into this endorsement as respects such additional insured and shall supersede the coverage grant and limitations in Sections A. and B. of this endorsement.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the mentioned policy, other than as above stated.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: Same as policy effective date unless otherwise indicated above.

Policy Effective: 6/1/2014

Policy No.: GL14P00002

Endorsement No.:

Insured: Kitchell CEM, Inc.

Premium \$

Insurance Company: American Contractors Insurance Co. RRG

Countersigned By _____

Medina J. O. N...

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person(s) or Organization(s):

Any person or organization for whom you have agreed by written contract to furnish this waiver.

The TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US Condition (Section IV – COMMERCIAL GENERAL LIABILITY CONDITIONS) is amended by the addition of the following:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the mentioned Policy, other than as above stated.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: Same as policy effective date unless otherwise indicated above.

Policy Effective Date: 6/1/2014


Policy No.: GL14P00002

Endorsement No.:

Insured: Kitchell CEM, Inc.

Premium \$

Insurance Company: American Contractors Insurance Co RRG

Countersigned By 

Named Insured: Kitchell Corporation, et al
Carrier: Travelers Indemnity Company
Policy No. DT8105E496169
Eff. Dates: 6/1/14-6/1/15

CA T3 53 03 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- | | |
|---|---|
| A. BROAD FORM NAMED INSURED | H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT |
| B. BLANKET ADDITIONAL INSURED | I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT |
| C. EMPLOYEE HIRED AUTO | J. PERSONAL EFFECTS |
| D. EMPLOYEES AS INSURED | K. AIRBAGS |
| E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS | L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS |
| F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS | M. BLANKET WAIVER OF SUBROGATION |
| G. WAIVER OF DEDUCTIBLE – GLASS | N. UNINTENTIONAL ERRORS OR OMISSIONS |

PROVISIONS

A. BROAD FORM NAMED INSURED

The following is added to Paragraph A.1., **Who Is An Insured**, of **SECTION II – LIABILITY COVERAGE**:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

B. BLANKET ADDITIONAL INSURED

The following is added to Paragraph c. in A.1., **Who Is An Insured**, of **SECTION II – LIABILITY COVERAGE**:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the **Who Is An Insured** provision contained in Section II.

C. EMPLOYEE HIRED AUTO

1. The following is added to Paragraph A.1., **Who Is An Insured**, of

Named Insured: Kitchell Corporation, et al
Carrier: Travelers Indemnity Company
Policy No. DT8105E496169
Eff. Dates: 6/1/14-6/1/15

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**SECTION II - LIABILITY
COVERAGE:**

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

2. The following replaces Paragraph b. in B.5., Other Insurance, of SECTION IV - BUSINESS AUTO CONDITIONS:

b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

D. EMPLOYEES AS INSURED

The following is added to Paragraph A.1., Who Is An Insured, of SECTION II - LIABILITY COVERAGE:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

E. SUPPLEMENTARY PAYMENTS - INCREASED LIMITS

1. The following replaces Paragraph A.2.a.(2), of SECTION II - LIABILITY COVERAGE:

- (2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

2. The following replaces Paragraph A.2.a.(4), of SECTION II - LIABILITY COVERAGE:

- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

F. HIRED AUTO - LIMITED WORLDWIDE COVERAGE - INDEMNITY BASIS

The following replaces Subparagraph e. in Paragraph B.7., Policy Term, Coverage Territory, of SECTION IV - BUSINESS AUTO CONDITIONS:

e. Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or within such country or jurisdiction, for Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

- (1) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

- (a) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

- (b) Neither you nor any other involved "insured" will make any settlement without our consent.

- (c) We may, at our discretion, participate in defending

Named Insured: Kitchell Corporation, et al
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the "insured" against, or in the settlement of, any claim or "suit".

(d) We will reimburse the "insured":

(i) For sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, that the "insured" pays with our consent, but only up to the limit described in Paragraph C., Limit Of Insurance, of SECTION II - LIABILITY COVERAGE;

(ii) For the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph C., Limit Of Insurance, of SECTION II - LIABILITY COVERAGE, and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

(2) This insurance is excess over any valid and collectible other insurance available to the

"insured" whether primary, excess contingent or on any other basis.

(3) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.

You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.

(4) It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

G. WAIVER OF DEDUCTIBLE - GLASS

The following is added to Paragraph D., Deductible, of SECTION III - PHYSICAL DAMAGE COVERAGE:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

H. HIRED AUTO PHYSICAL DAMAGE - LOSS OF USE - INCREASED LIMIT

The following replaces the last sentence of Paragraph A.4.b., Loss Of Use Expenses, of SECTION III - PHYSICAL DAMAGE COVERAGE:

However, the most we will pay for any expenses for loss of use is \$65 per day, to a maximum of \$750 for any one "accident".

Named Insured: Kitchell Corporation, et al
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**I. PHYSICAL DAMAGE -
TRANSPORTATION EXPENSES -
INCREASED LIMIT**

The following replaces the first sentence in Paragraph A.4.a., **Transportation Expenses**, of SECTION III - **PHYSICAL DAMAGE COVERAGE**:

We will pay up to \$50 per day to a maximum of \$1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

J. PERSONAL EFFECTS

The following is added to Paragraph A.4., **Coverage Extensions**, of SECTION III - **PHYSICAL DAMAGE COVERAGE**:

Personal Effects

We will pay up to \$400 for "loss" to wearing apparel and other personal effects which are:

- (1) Owned by an "insured"; and
- (2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Effects coverage.

K. AIRBAGS

The following is added to Paragraph B.3., **Exclusions**, of SECTION III - **PHYSICAL DAMAGE COVERAGE**:

Exclusion 3.a. does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs A.1.b. and A.1.c., but only:

- a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;
- b. The airbags are not covered under any warranty; and
- c. The airbags were not intentionally inflated.

We will pay up to a maximum of \$1,000 for any one "loss".

L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS

The following is added to Paragraph A.2.a., of SECTION IV - **BUSINESS AUTO CONDITIONS**:

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

- (a) You (if you are an individual);
- (b) A partner (if you are a partnership);
- (c) A member (if you are a limited liability company);
- (d) An executive officer, director or insurance manager (if you are a corporation or other organization); or
- (e) Any "employee" authorized by you to give notice of the "accident" or "loss".

M. BLANKET WAIVER OF SUBROGATION

The following replaces Paragraph A.5., **Transfer Of Rights Of Recovery Against Others To Us**, of SECTION IV - **BUSINESS AUTO CONDITIONS**:

5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

N. UNINTENTIONAL ERRORS OR OMISSIONS

The following is added to Paragraph B.2., **Concealment, Misrepresentation, Or Fraud**, of SECTION IV - **BUSINESS AUTO CONDITIONS**:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT-CALIFORNIA

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

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

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

Schedule

Person or Organization

Job Description

Whoever the named insured is required by written contract executed prior to loss to waive rights of recovery against.

** No Additional Premium to be applied*

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: Same as Policy Effective Date unless otherwise indicated above.

Policy Effective Date: 6/1/2014

Policy No. WCA000006814

Endorsement No.

Premium \$

Insured Kitchell CEM, Inc.

Carrier Name/Code: ACIG Insurance Company

Countersigned by

Nancy Sprattle

WC 04 03 06
(Ed. 04-84)