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Before the Board of Supervisors in and for the County of Monterey, State of California

Agreement No. A-11286

- a. Approve Amendment No. 3 to Professional Services Agreement No. A-11286 with Wood Rodgers, Inc. to include the first phase of work (Phase 1) associated with the development of an alternative alignment for the Monterey Bay Sanctuary Scenic Trail – Moss Landing Segment, Project No. 866865, in the amount of \$100,200.00 for a total amount not to exceed \$1,304,155.79 for a term through December 31, 2013; and)
- b. Authorize the Contracts/Purchasing Officer to execute Amendment No. 3 to Professional Services Agreement No. A-11286 and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.....)

Upon motion of Supervisor Salinas, seconded by Supervisor Armenta, and carried by those members present, the Board hereby;

- a. Approved Amendment No. 3 to Professional Services Agreement No. A-11286 with Wood Rodgers, Inc. to include the first phase of work (Phase 1) associated with the development of an alternative alignment for the Monterey Bay Sanctuary Scenic Trail – Moss Landing Segment, Project No. 866865, in the amount of \$100,200.00 for a total amount not to exceed \$1,304,155.79 for a term through December 31, 2013; and
- b. Authorized the Contracts/Purchasing Officer to execute Amendment No. 3 to Professional Services Agreement No. A-11286 and future amendments that do not significantly alter the scope of work or change the approved Agreement amount.

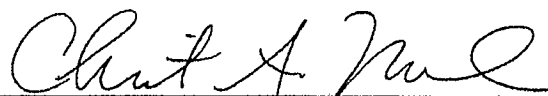
PASSED AND ADOPTED on this 23rd day of August, 2011, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, and Potter
 NOES: None
 ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 75 for the meeting on August 23, 2011.

Dated: August 30, 2011

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By 
 Deputy

**AMENDMENT NO. 3
TO PROFESSIONAL SERVICES AGREEMENT
BETWEEN COUNTY OF MONTEREY AND
WOOD RODGERS, INC.**

THIS AMENDMENT NO. 3 to the Professional Services Agreement between the County of Monterey, a political subdivision of the State of California (hereinafter, "County") and Wood Rodgers, Inc. (hereinafter, "CONTRACTOR") is hereby entered into between the County and the CONTRACTOR (collectively, the County and CONTRACTOR are referred to as "the Parties").

WHEREAS, CONTRACTOR entered into a Professional Services Agreement with County on October 27, 2008 (hereinafter, "Agreement"); and

WHEREAS, Agreement was amended by the Parties on December 3, 2009 (hereinafter, "Amendment No. 1"), and September 29, 2010 (hereinafter, "Amendment No. 2"); and

WHEREAS, as a result of an archeological study conducted during the Design Engineering and Environmental Phase of the Monterey Bay Sanctuary Scenic Trail – Moss Landing Segment ("Segment"), additional work is necessary for the development of an alternative alignment to address the archeological findings for the Segment; and

WHEREAS, the development of an alternative alignment of the Segment will be done in two phases; and

WHEREAS, the Parties wish to further amend the Agreement to extend the term to December 31, 2013 and to increase the amount payable by \$100,200.00 to include the first phase of work (Phase 1) associated with the development of an alternative alignment.

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

1. Amend Paragraph 1, "Services to Be Provided", to read as follows:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibits A, A-1, A-2 and A-3 in conformity with the terms of this Agreement. The services are generally described as follows: provide environmental documentation and plans, specifications, and engineer's estimate; and development of an alternative alignment for the Monterey Bay Sanctuary Scenic Trail – Moss Landing Segment.

2. Amend Paragraph 2, "Payments by County", to read as follows:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibits A, A-1, A-2 and A-3, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$1,304,155.79.

3. Amend the first sentence of Paragraph 3, "Term of Agreement", to read as follows:

The term of this Agreement is from October 1, 2008 to December 31, 2013, unless sooner terminated pursuant to the terms of this Agreement.

4. Amend Paragraph 4, "Additional Provisions/Exhibits", by adding "Exhibit A-3, Scope of Services/Payment Provisions".

5. Amend Paragraph 8, "Indemnification", to read as follows:

8.01. 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 the COUNTY under this Indemnity Agreement that is permitted by law shall be provided by CONTRACTOR.

8.02. 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 the 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 the COUNTY, or defect in a design furnished by the COUNTY.

8.03. Indemnification for All Other Claims or Loss: For any claim, loss, injury, damage, expense or liability other than claims arising out of the 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 the COUNTY, or defect in a design furnished by the COUNTY.

6. Amend the first sentence of Paragraph 9.03, "Insurance Coverage Requirements", "Business automobile liability insurance", to read as follows:


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. The schedule referenced in the Agreement, Exhibit A – Scope of Services/Payment Provisions, is hereby amended to extend through December 31, 2013, to conform to the amended term of the Agreement.
8. All other terms and conditions of the Agreement remain unchanged and in full force.
9. This Amendment No. 3 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 3 to the Professional Services Agreement as of the day and year written below:

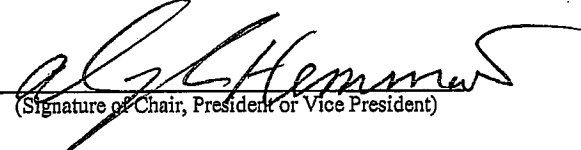
COUNTY OF MONTEREY

CONTRACTOR*

By: 
Contracts/Purchasing Officer

Wood Rodgers, Inc.
Contractor's Business Name


Date: 9-2-11

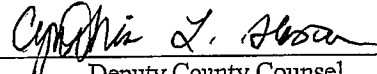
By: 
(Signature of Chair, President or Vice President)

Its: Ali A. Hemmati, Vice President
(Print Name and Title)

Date: 7/20/11

**Approved as to Form and Legality
Office of the County Counsel**

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

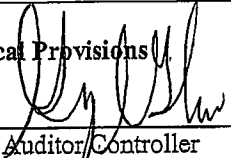
By: 
Deputy County Counsel

Its: Timothy R. Crush, Secretary
(Print Name and Title)

Date: 7-29-11

Date: 7/20/11

Approved as to Fiscal Provisions

By: 
Auditor/Controller

Date: 7-22-11

Approved as to Indemnity and Insurance Provisions

By: _____
Risk Management

Date: _____

*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.

ENTERED
SEP 02 2011

KA

EXHIBIT A-3 – SCOPE OF SERVICES/PAYMENT PROVISIONS



WOOD RODGERS

June 22, 2011

County of Monterey
Department of Public Works
Attn: Mr. Thomas R. Harty, PE
168 West Alisal Street, 2nd Floor
Salinas, California 93901

7/19/11
(Date)

Re: Request for Amendment #3 to Professional Engineering Services Agreement A-11286
Monterey Bay Sanctuary Scenic Trail – Moss Landing Segment

Dear Mr. Harty:

(Phase 1)

In accordance with your request, this letter is to define the first phase of work needed to develop and document an additional alternative alignment for the section of the proposed Moss Landing Segment of the Monterey Bay Sanctuary Scenic Trail where prehistoric human remains were discovered in the course of archeological study in 2010. This includes a description of the additional scope of work involved in developing the second alternative and an estimate of the augmentation to the budget in our consultant services agreement to compensate Wood Rodgers and our subconsultants for the additional work. The two-phase approach is intended to allow sufficient development and investigation of the new alternative to be completed so that the costs involved in proceeding with the change to the project can be determined before the County makes the decision to proceed with the work of the second phase. The second phase will be scoped and budgeted when preliminary results from the first phase are available.

MRH
(Contractor's Initials)

The additional alternative is illustrated in an exhibit prepared by Monterey County for use in a meeting with Glenn Hughes (General Manager) and Kathy Genasci (Plant Engineer) of the Moss Landing Power Plant on January 10, 2011. The power plant is the owner of the property, from which an easement must be obtained for the trail. This additional alternative would construct the trail immediately west of the power plant's preserved oil pipeline, rather than immediately east of that pipeline as currently planned (see preliminary project plans dated 8/31/2010). This would avoid excavation in the steep, loose, archeologically-sensitive slope immediately east of the pipeline and significantly reduce the size of needed retaining walls in that area. This concept was not evaluated previously, because Kathy Genasci had advised Monterey County and Wood Rodgers in 2008 that it was not acceptable to the Moss Landing Power Plant at that time to have the trail pass over the pipeline, either on fill or on structure. This new alternative will need to cross the preserved oil pipeline at two points. We understand that Glenn Hughes advised during the meeting with Monterey County on January 10th that such an alternative can now be considered, with mitigation of the power plant's concerns for screening and security of plant operations.

The new alternative alignment would be approximately 1000 feet long, with approximate limits of Station 83+00 to Station 93+00 as shown on the current draft trail plans. In order to lower the elevation of the subject section of trail from around 32 feet at the south to around 14 feet at the north, it is anticipated that a combination of cut (between Stations 83+00 and 88+00) and elevated viaduct or ramp type structure or retained fill (between stations 88+00 and 93+00) will be required. The existing ground over most of the length of the area where the viaduct structure would be constructed is nearly level at an elevation near 11 feet between the preserved oil pipeline and the existing rip-rap shore protection along the harbor shoreline. Thus, the height of the viaduct or ramp structure above the existing ground could vary up to 20 feet (plus safety railings). The slope of the ramp cannot exceed 5% for compliance with ADA access requirements. In the area adjacent to the power plant's intake screening operation, the trail may be constructed either on fill behind retaining wall, or in a cut into the existing steep cut slope (approximate Station limits 85+50 to

EXHIBIT A-3 – SCOPE OF SERVICES/PAYMENT PROVISIONS

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June 22, 2011

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88+50). Further south (approximate Station limits 83+00 to 85+50), the potential of widening the existing cut for State Route 1 to allow lowering the planned grade of the trail will be evaluated.

The development of the additional alternative, environmental technical studies and documentation, and development of construction plans, special provisions and engineer's estimate for the revised project to be constructed will be accomplished in two phases, each of which will be initiated upon receipt of a Notice to Proceed from Monterey County. The first phase work is expected to involve the following additional tasks:

Phase 1: Alternative Development, Environmental Technical Field Work, and Reporting:

1A. **Project Management:** We anticipate that up to three additional meetings with Monterey County, the property owner (Moss Landing Power Plant), and the various agencies involved in project review and approval will be required in association with the first phase of the development of the additional alternative. We assume that the Wood Rodgers Project Manager will be involved in one of these meetings and the Project Engineer will participate in all three. In addition, Wood Rodgers will expend additional labor in managing the project for an additional 9 months during the first phase, including additional coordination and preparation of 9 additional progress reports. Also, this budget includes a bi-weekly conference call with Monterey County to review progress and current issues. This is estimated to require the following additional budget:

Principal Engineer (Proj Mgr)	Meetings: 18 hr x \$185.00/hr =	\$ 3,330
	Management: 3 hr/mo x 9 mo x \$185.00/hr =	\$ 4,995
Engineer III (Proj. Engr)	Meetings: 40 hr x \$125.00/hr =	\$ 5,000
	Management: 5 hr/mo x 9 mo x \$125.00/hr =	\$ 5,625
Administrative Support:	6 hr/mo x 9 mo x \$ 70.00/hr =	\$ 3,780
	Reimbursibles (Travel Expenses) =	\$ 600
Additional Phase 1 PM Budget for Wood Rodgers:		\$ 23,330

1B. **Alternative Engineering Studies:** Wood Rodgers will prepare engineering studies of up to three combinations of horizontal alignment and vertical profile for the alternative trail concept. These geometric concepts will only be developed sufficiently to support a choice between them, so we do not anticipate that a complete set of cross-sections will be developed for each combination. The best combination of conceptual features will then be developed into the additional second alternative for the project, including trail alignment, profile, cross-sections, conceptual drainage, and estimated costs and quantities of construction work. Also, structure Advance Planning Studies will be prepared for the additional structures involved in the second project alternative, such as retaining walls and a bridge/viaduct structure to carry the trail over the pipeline at the southern crossing. Two alternative structure types will be evaluated based on the selected geometrics of the new alternative, providing plan view, elevation view, typical cross-section and planning-level estimate of construction costs. Preparation of these studies is estimated to require the following additional budget:

Trail Studies: Principal Engineer (Proj Mgr)	4 hr x \$185.00/hr =	\$ 740
Engineer III (Project Engineer)	16 hr x \$125.00/hr =	\$ 2,000
Engineer II (Trail Designer)	70 hr x \$115.00/hr =	\$ 8,050
CAD Tech III (Drafting)	50 hr x \$ 95.00/hr =	\$ 4,750
Structure APS: Senior Engineer (Structures PM)	4 hr x \$175.00/hr =	\$ 700
Engineer III (Structures Design)	56 hr x \$125.00/hr =	\$ 7,000
CAD Tech III (Drafting)	48 hr x \$ 95.00/hr =	\$ 4,560
	Reimbursibles (Plotting & Reproduction) =	\$ 350
Additional Engineering Studies Budget for Wood Rodgers:		\$28,150

EXHIBIT A-3 – SCOPE OF SERVICES/PAYMENT PROVISIONS

MBSST Moss Landing Amendment #3
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1C. Additional Environmental Technical Field Work and Reporting: As outlined in the attached letter from LSA Associates to Wood Rodgers dated June 22, 2011, LSA has estimated the required additional effort required to perform the cultural field work and reporting in the first phase of the evaluation of the additional alternative, deferring until the second phase the remaining work to perform biological surveys and revise the various environmental technical studies to include the additional alternative and complete the environmental document. LSA has estimated that the cultural studies will require 8 months to complete.

Wood Rodgers will provide CAD files of alternative drawings, coordination and review of draft environmental studies. The additional effort is estimated to require the following additional budget:

Additional Budget for LSA Associates
(See LSA letter for more detail): **\$ 41,000**

Additional Budget for Wood Rodgers
Principal Engineer (Proj Mgr) 4 hr x \$185.00/hr = \$ 740
Engineer III (Project Engineer) 32 hr x \$125.00/hr = \$ 4,000
Engineer II (Trail Designer) 16 hr x \$115.00/hr = \$ 1,840
CAD Tech III (Drafting) 12 hr x \$ 95.00/hr = \$ 1,140
\$ 7,720

Total Phase 1 Environmental Studies Budget: \$48,720

RECAP OF PHASE 1 BUDGET:

1A. Additional Project Management	\$ 23,330
1B. Alternative Engineering Studies	\$ 28,150
1C. Additional Environmental Technical Studies & Doc:	<u>\$ 48,720</u>
Total Phase 1 Additional Budget:	\$100,200

A second phase of work will be needed to complete environmental documentation and prepare the construction contract documents (PS&E) for the revised trail alignment. The second phase would include additional geotechnical investigation for the design of foundations and additional topographic mapping of the eroding shoreline just south of Elkhorn Slough, where a shore protection system is to be constructed.

The second phase work will be budgeted and approved separately. We anticipate that sufficient information will have been developed to make an informed judgment regarding the feasibility of the project and selection of the features of the project upon the completion of the archeological field work, before any laboratory analysis and report writing has been completed. Timely decision making will minimize the delay and cost for additional project management.

Schedule:

We anticipate that the following tasks can be completed in the following times:

- Provide 2 alignment/profile concepts for review: 4 weeks after Notice to Proceed
- Meet with County to select geometric features: As soon as County Staff is available
- Provide geometric drawings for County/MLPP review 3 weeks after geometric selection
- Meet with County & MLPP to receive comments As soon as may be scheduled
- Finalize geometric concept drawings 3 weeks after review meeting

EXHIBIT A-3 – SCOPE OF SERVICES/PAYMENT PROVISIONS

MBSST Moss Landing Amendment #3

June 22, 2011

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- Provide structure Advance Planning Studies for review 4 weeks after geometric concurrence
- Provide estimates of environmental impacts to LSA 2 weeks after APS concurrence

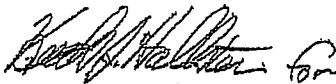
LSA Associates has advised that it will take approximately 8 months to complete the additional cultural resources studies. However, the Phase 2 work can begin before cultural resource report writing has been completed. To minimize the delay in the overall project schedule, we recommend that the County negotiate the Phase 2 budget and issue a Notice to Proceed (NTP) with Phase 2 work as soon as cultural resources field work has been completed and preliminary results can be informally reported. We anticipate that the Phase 2 work to complete the environmental documentation can be completed in approximately 15 months after such NTP, while the remainder of the Phase 1 work is completed simultaneously.

We recommend that the term of the contract be extended through December 30, 2013 so that we can provide any assistance that the County may need during project bidding.

If you require additional information regarding this request, please do not hesitate to contact me at (916) 440-9519 (desk) or (916) 212-7032 (cell) or Keith Hallsten at (916) 440-9522 (desk) or (916) 532-1481 (cell).

Sincerely,

WOOD RODGERS, INC.



Ali A. Hemmati, P.E.
Project Manager

cc: Keith J. Hallsten, Project Engineer, Wood Rodgers
Joey Sellers, Contract Administrator, Wood Rodgers

8091.010, 052

EXHIBIT A-3 – SCOPE OF SERVICES/PAYMENT PROVISIONS

LSA

LSA ASSOCIATES, INC.
1998 SANTA BARBARA STREET, SUITE 120 805.782.0745 TEL
SAN LUIS OBISPO, CALIFORNIA 93401 805.782.0796 FAX

BERKELEY
CARLSBAD
COLMA

FORT COLLINS
IRVINE
PALM SPRINGS

POINT RICHMOND
RIVERSIDE
ROCKLIN

June 22, 2011

Keith Hallsten, P.E.,
Senior Civil Engineer, Transportation
Wood Rodgers, Inc.
3301 C Street, Bldg. 100-B
Sacramento, CA 95816

Subject: Monterey Bay Sanctuary Scenic Trail –Scope of Work and Budget for Assessing an Alternative Trail Alignment north of the Moss Landing Power Plant (Station 86) to the North Side of the Knoll (Station 93)

Dear Keith,

Pursuant to your request, based on recent discussions with the County of Monterey, LSA is pleased to provide you with a scope and budget for Phase I of revising technical studies and preparing the environmental documentation to include an alternative trail alignment (Alternative Alignment) for the Moss Landing segment of the Monterey Bay Sanctuary Scenic Trail (MBSST). It is LSA's understanding that the County would like to assess the impacts of the Alternative Alignment for the portion of the proposed Moss Landing Segment that begins approximately Station 83 and ends just beyond the north tip of cultural resource sensitive "knoll" area, at approximately Station 93, in two phases. The first phase of the environmental work would include cultural field work and reporting. The second phase of the environmental work would include any necessary cultural laboratory analysis; botanical, tree, and wetland surveys; completing the biological resources field work as necessary; agency coordination and reporting; revising all remaining technical reports; and completing the necessary environmental documentation.

LSA's approved scope of work and budget (March 12, 2008) anticipated that the CEQA documentation for the proposed Moss Landing Segment of the MBSST would be an Initial Study/Mitigated Negative Declaration (IS/MND) and the NEPA documentation would be a Categorical Exclusion (CE). The existing scope of work specified that a higher level of environmental documentation would be required if any significant impacts were identified as part of the technical assessments.

Based on the results of the technical analyses completed, it is LSA's opinion that the appropriate type of document for CEQA clearance would remain an IS/MND. The technical studies concluded that all impacts associated with the proposed project could be mitigated to a level that is less than significant, including cultural impacts associated with development at the knoll area of the trail alignment.

However, due to the controversy surrounding disturbance of the knoll area, it is possible that the NEPA clearance for either the current trail alignment or the Alternative Alignment could be elevated to an Environmental Assessment (EA). The appropriate level of environmental documentation will not be known until conceptual design work has been completed for the Alternative Alignment and the environmental technical assessments have been completed.

Below is LSA's proposed Phase I scope of work and budget estimate for the cultural field work and reporting portion of the Alternative Alignment analysis.

EXHIBIT A-3 – SCOPE OF SERVICES/PAYMENT PROVISIONS

LSA ASSOCIATES, INC.

ENVIRONMENTAL TECHNICAL REPORTS AND ENVIRONMENTAL DOCUMENT SCOPE OF WORK AND BUDGET

Preparation of technical studies listed below could require an Encroachment Permit from Caltrans in order to access the Alternative Alignment. If necessary, LSA's environmental planner will prepare a Standard Encroachment Permit Application for Caltrans review and approval. LSA will submit the permit application form, with any required fees, and coordinate with Caltrans for permit approval prior to commencing field work.

Cultural Technical Field Work and Reporting

The Area of Potential Effect (APE) for the Monterey Bay Sanctuary Scenic Trail (MBSST), Moss Landing Segment 6 Project, Moss Landing, Monterey County, California, has been expanded and an Alternative Alignment is proposed west of the Moss Landing Power Plant (MLPP) pipeline and CA-MNT-229. LSA Associates, Inc. (LSA) proposes to conduct testing and evaluation for the Alternative Alignment, update previous reports with the new project and APE description, update previous reports with maps and figures, and incorporate the new data into the Draft Archaeological Evaluation Report for CA-MNT-229. These studies are needed for the County of Monterey, Department of Public Works (County), and Caltrans to comply with the *Programmatic Agreement Among the Federal Highway Administration, the Advisory Council on Historic Preservation, the California State Historic Preservation Officer, and the California Department of Transportation Regarding Compliance With Section 106 of the National Historic Preservation Act (2004)*. Caltrans is the lead agency for Section 106 compliance.

Caltrans will not require an additional records search for the expanded APE and Alternative Alignment. However, consultation with interested Native American representatives will need to continue during this expanded effort.

The following documents will be revised to incorporate the new project description and expanded APE, including revisions to the maps:

- Historic Property Survey Report
- Archaeological Survey Report
- Historical Resources Evaluation Report (CA-MNT-2051H)
- Archaeological Evaluation Report (CA-MNT-229)
- California Department of Parks and Recreation form DPR 523 records for CA-MNT-229 and CA-MNT-2051H
- Environmentally Sensitive Area Plan

All reports will be submitted to the Northwest Information Center (NWIC) in fulfillment of a requirement to access their archives.

- Area of Potential Effects (APE) Map/Graphics
 - o LSA will update all maps and figures for the five reports listed above to Caltrans standards.

EXHIBIT A-3 - SCOPE OF SERVICES/PAYMENT PROVISIONS

LSA ASSOCIATES, INC.

- **Archaeological Evaluation of CA-MNT-229**
 - The AER will be updated in response to the new project description and expanded APE.
 - LSA will excavate auger units in the Alternative Alignment within the MLPP fenced property to determine the presence/absence of archaeological deposits that may be associated with CA-MNT-229.
 - LSA will analyze cultural materials identified within the auger units and incorporate these materials in the existing catalog.
 - LSA will update the Archaeological Evaluation Report (AER) to document the methods for determining if archaeological deposits are present in the expanded APE and whether the deposit contributes to the National Register eligibility of CA-MNT-229.
 - LSA will update the California Department of Parks and Recreation form DPR 523 records for CA-MNT-229.
 - As required by Caltrans, up to two Native American representatives will be retained by LSA to be present during the fieldwork.

Project Specifications

- The level of effort described in this scope is contingent on Caltrans agreeing with LSA's argument that archaeological testing is not required for the Alternative Alignment west of the pipeline due to low sensitivity. The shoreline's low sensitivity is based on previous work by Greenwood (1974) and the topographic characteristics of the area.
- Caltrans will not require testing outside the Alternative Alignment within the expanded APE within the MLPP fenced property.
- LSA assumes that the expanded APE within the MLPP fenced property (where LSA proposed to excavate auger units) will not require a more intensive excavation effort. If results from LSA's proposed auger units indicate otherwise, a larger field effort, with up to two 1x1 meter units, will need to be excavated, *in addition to* the auger units.
- For budgeting purposes, LSA assumes that cultural materials will not be identified within the Alternative Alignment and, therefore, Special Studies will not need to be conducted, including laboratory analysis and cataloging. If cultural materials are identified within the Alternative Alignment, the budget for this task would need to be increased by approximately \$13,000.
- **Historic Property Survey Report (HPSR) & Archaeological Survey Report (ASR)**
 - The HPSR will be updated to summarize the results of all identification and evaluation efforts completed thus far, including the field investigations proposed in this scope of work. The HPSR is the cover report for the ASR, Archaeological Evaluation Report, and the Historical Resources Evaluation Report.
 - LSA will update the records search results section to document the inclusion of the area contained in the expanded APE.
 - The ASR will be updated in response to the new project description and expanded APE.
 - LSA will conduct a pedestrian survey of the expanded APE.

EXHIBIT A-3 – SCOPE OF SERVICES/PAYMENT PROVISIONS

LSA ASSOCIATES, INC.

- **Historical Resources Evaluation Report (HRER)**
 - The HRER will be updated in response to the new project description and expanded APE, and the records search information will be revised as to how it relates to CA-MNT-2051H.
 - LSA will update the California Department of Parks and Recreation form DPR 523 records for CA-MNT-2051H.
- **Special Studies (if necessary):** *The following tasks will be done (if evidence of CA-MNT-229 is identified within expanded APE):*
 - Radiocarbon Dating
 - Obsidian Hydration
 - Flora & Fauna Analysis

Special studies of the cultural materials associated with CA-MNT-229 will be needed to evaluate whether they contribute to the site's National Register eligibility.

- **Native American Consultation**
 - LSA will continue to consult with the local Native American representatives regarding potential effects of the Alternative Alignment. LSA will provide the local Native American representatives with information regarding CA-MNT-229 in the expanded APE.
 - LSA will attend up to three meetings with the local Native American representatives and the designated Most Likely Descendant to coordinate the reburial of previously identified human remains.
 - Up to two Native American representatives will be retained by LSA to be present during all fieldwork.
- **Environmentally Sensitive Area (ESA) Plan**
 - The ESA will be updated with project and expanded APE descriptions.
- **Curation**
 - Coordinate with University of California, Santa Cruz, Monterey Bay Archaeology Archives
 - Prepare collection for curation

Budget: \$35,500.

Schedule: 8 months

Project Management and Meetings (Phase 1)

LSA's Project Manager will be responsible for overseeing and coordinating all technical field work for the Alternative Alignment. LSA's Project Manager will also be responsible for routine monthly project administration. It is anticipated that the Phase I of the technical work will take approximately 8 months.

Budget: \$5,500

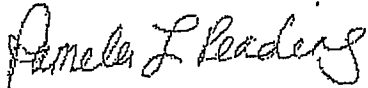
Total Budget for Phase 1: \$41,000.

EXHIBIT A-3 – SCOPE OF SERVICES/PAYMENT PROVISIONS

LSA ASSOCIATES, INC.

If you have any questions about the proposed scope of work and budget for Phase I of the environmental analysis of the Alternative Alignment, please do not hesitate to contact me.

Regards,

A handwritten signature in cursive script that reads "Pamela L. Reading".

Pam Reading, Senior Planner



One Tower Square, Hartford, Connecticut 06188

BUSINESSOWNERS COVERAGE PART DECLARATIONS

OFFICE PAC

POLICY NO.: 680-5350L903-TIL-10
ISSUE DATE: 10-01-10

INSURING COMPANY:
TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

POLICY PERIOD:
From 10-01-10 to 10-01-11 12:01 A.M. Standard Time at your mailing address.

FORM OF BUSINESS: CORPORATION

~~COVERAGES AND LIMITS OF INSURANCE: Insurance applies only to an item for which a "limit" or the word "included" is shown.~~

COMMERCIAL GENERAL LIABILITY COVERAGE

OCCURRENCE FORM	LIMITS OF INSURANCE	
General Aggregate (except Products-Completed Operations Limit)	\$	2,000,000
Products-Completed Operations Aggregate Limit	\$	2,000,000
Personal and Advertising Injury Limit	\$	1,000,000
Each Occurrence Limit	\$	1,000,000
Damage to Premises Rented to You	\$	300,000
Medical Payments Limit (any one person)	\$	5,000

BUSINESSOWNERS PROPERTY COVERAGE

DEDUCTIBLE AMOUNT: Businessowners Property Coverage: \$ 500 per occurrence.
Building Glass: \$ 500 per occurrence.

BUSINESS INCOME/EXTRA EXPENSE LIMIT: Actual loss for 12 consecutive months

Period of Restoration-Time Period: Immediately

ADDITIONAL COVERAGE:

Fine Arts: \$ 25,000

Other additional coverages apply and may be changed by an endorsement. Please read the policy.

SPECIAL PROVISIONS:

**COMMERCIAL GENERAL LIABILITY COVERAGE
IS SUBJECT TO A GENERAL AGGREGATE LIMIT**

POLICY NUMBER: 680-53501903-TIL-10

EFFECTIVE DATE: 10-01-10

ISSUE DATE: 10-01-10

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS
BY LINE OF BUSINESS.

* IL T0 25 08 01 RENEWAL CERTIFICATE
* MP T0 01 02 05 BUSINESSOWNERS COVERAGE PART DECS
* IL T8 01 01 01 FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS
IL T3 15 09 07 COMMON POLICY CONDITIONS
* IL T0 20 02 05 ADDITIONAL LOCATIONS

BUSINESSOWNERS

* CP 12 18 06 95 LOSS PAYABLE PROVISIONS
* MP T1 79 08 97 BLKT LMTS-ALL PREMISES BLDG/PERS PROP
* MP T1 30 02 05 TBL OF CONT-BUSINESSOWNERS COV-DELUXE
MP T1 02 02 05 BUSINESSOWNERS PROPERTY COV-SPEC FORM
MP T1 05 02 05 AMENDATORY PROVISIONS-OFFICES
MP P0 01 09 07 ARCHITECTS, ENGINEERS & SURVEYORS END
* MP T3 07 03 97 PROTECTIVE SAFEGUARDS-SPRINK&RESTAURANT
MP T3 25 01 08 TERRORISM RISK TNS ACT OF 2002 NOTICE
* MP T3 29 02 05 ERISA COVERAGE
MP T3 50 11 06 EQUIP BREAKDOWN SERV INTERRUPTION LIM
MP T3 56 02 08 AMENDATORY PROVISIONS-GREEN BLD
* MP T1 55 02 05 AMEND EMPLOYEE DISHONESTY LIMIT
MP T4 90 02 05 NON-CUMULATION OF LIMITS-CALIFORNIA
MP T5 08 01 06 CALIFORNIA CHANGES-REPLACEMENT COST
MP T5 02 02 05 CA CHANGES - ESCROW AGENT

COMMERCIAL GENERAL LIABILITY

CG D3 15 11 03 BLANKET DESIG LOCATION(S) GENL AGGR LMT
CG T0 34 11 03 TABLE OF CONTENTS
CG 00 01 10 01 COMMERCIAL GENERAL LIABILITY COV FORM
CG D2 55 11 03 AMENDMENT OF COVERAGE - POLLUTION
CG D3 09 11 03 AMEND ENDT-PRODUCTS-COMPLETED OPR HAZARD
CG D3 81 09 07 ADDT INSURED ARCHITECT, ENGINEER, SURVEYOR
* CG D3 82 09 07 ADDL INSURED-ARCHITECT, ENGINEER, SURVEYOR
CG 21 70 01 08 CAP ON LOSSES-CERTIFIED ACTS-TERRORISM
CG D0 37 04 05 OTHER INSURANCE-ADDITIONAL INSUREDS
CG D2 34 01 05 WEB XTEND - LIABILITY
CG D3 79 09 07 ARCHITECT, ENGINEER, SURVEYOR XTEND ENDORS
CG D2 88 11 03 EMPLOYMENT-RELATED PRACTICES EXCLUSION
CG D3 26 01 04 EXCLUSION-UNSOLICITED COMMUNICATIONS
CG D3 56 01 05 MOBILE EQUIP/EXCL VEHICLES SUB TO MV LAW
CG D3 80 09 07 EXCLUSION-ENGINEER, ARCHITECT, SURVEY PROF
CG D0 76 06 93 EXCLUSION-LEAD
CG D1 42 01 99 EXCLUSION-DISCRIMINATION
CG D2 42 01 02 EXCLUSION WAR

* TEXT IN THIS FORM HAS CHANGED, OR THE FORM WAS NOT ON POLICY BEFORE.

POLICY NUMBER: 680-5350L903-TIL-10

EFFECTIVE DATE: 10-01-10

ISSUE DATE: 10-01-10

COMMERCIAL GENERAL LIABILITY (CONTINUED)

CG T4 78 02 90 EXCLUSION-ASBESTOS

EMPLOYEE BENEFITS LIABILITY

* CG T0 09 09 93 EMPLOYEE BENEFITS LIAB COV PART DEC
CG T0 43 11 88 EMPLOYEE BENEFITS LIAB TABLE OF CONTENTS
CG T1 01 07 86 EMPLOYEE BENEFITS LIABILITY COV FORM
CG T5 30 06 89 AMENDMENT-EBL
CG D0 38 03 95 EXCLUSION-IRC VIOLATIONS
CG T4 85 11 88 ADDITIONAL EXCLUSION-EBL

MULTIPLE SUBLINE ENDORSEMENTS

C = COMMERCIAL GENERAL LIABILITY

E = EMPLOYEE BENEFITS LIABILITY

L = LIQUOR LIABILITY

CG T3 33 11 03 LIMIT WHEN TWO OR MORE POLICIES APPLY (C, E, L)

CG 32 34 01 05 CALIFORNIA CHANGES (C, L)

INTERLINE ENDORSEMENTS

IL T3 82 08 06 EXCL OF LOSS DUE TO VIRUS OR BACTERIA
IL T3 79 01 08 CAPS ON LOSSES FROM CERT ACTS OF TERROR
IL 00 21 09 08 NUCLEAR ENERGY LIAB EXCL END-BROAD FORM
IL 01 04 09 07 CALIFORNIA CHANGES
IL 02 70 09 08 CA CHANGES-CANCELLATION & NON-RENEWAL

* TEXT IN THIS FORM HAS CHANGED, OR THE FORM WAS NOT ON POLICY BEFORE.

POLICY NUMBER: 6805350L903

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 10/1/2009

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED (ARCHITECTS, ENGINEERS AND SURVEYORS)

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

SCHEDULE

NAME OF PERSON(S) OR ORGANIZATION(S):

~~The County of Monterey, its agents, officers and Employees~~

PROJECT/LOCATION OF COVERED OPERATIONS: All Operations of the Named Insured

PROVISIONS

A. The following is added to WHO IS AN INSURED (Section II):

The person or organization shown in the Schedule above is an additional insured on this Coverage Part, but only with respect to liability for "bodily injury", "property damage" or "personal injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- a. In the performance of your ongoing operations;
- b. In connection with premises owned by or rented to you; or
- c. In connection with your work and included within the "products-completed operations hazard."

Such person or organization does not qualify as an additional insured for "bodily injury", "property damage" or "personal injury" for which that person or organization has assumed liability in a contract or agreement.

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

- d. This insurance does not apply to the rendering of or failure to render any "professional services".
- e. The limits of insurance afforded to the additional insured shall be the limits which you agreed in that "contract or agreement requiring insurance" to provide for that additional insured, or the limits shown in the Declarations for this Coverage Part, whichever are less. This endorsement does not increase the limits of insurance stated in the LIMITS OF INSURANCE (Section III) for this Coverage Part.

B. The following is added to Paragraph a. of 4. Other Insurance in COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV):
However, if you specifically agree in a contract or agreement requiring insurance that, for the additional insured shown in the Schedule, the insurance provided to that additional insured under this

COMMERCIAL GENERAL LIABILITY

Coverage Part must apply on a primary basis, or a ~~primary and non-contributory~~ basis, this insurance is primary to other insurance that is available to such additional insured which covers such additional insured as a named insured, and we will not share with the other insurance, provided that:

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

after you have entered into that "contract or agreement requiring insurance" for such additional insured. But this insurance still is excess over valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured when the additional insured is also an additional insured under any other insurance.

- C. The following is added to Paragraph 8, Transfer Of Rights Of Recovery Against Others To Us in COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV):

We waive any rights of recovery we may have against the additional insured shown in the Schedule above because of payments we make for "bodily injury", "property damage" or "personal

injury" arising out of "your work" on or for the project, or at the location, shown in the Schedule above, performed by you, or on your behalf, under a "contract or agreement requiring insurance" with that additional insured. We waive these rights only where you have agreed to do so as part of the "contract or agreement requiring insurance" with that additional insured entered into by you before, and in effect when, the "bodily injury" or "property damage" occurs, or the "personal injury" offense is committed.

- D. The following definition is added to DEFINITIONS (Section V):

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

- a. After you have entered into that contract or agreement;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED (ARCHITECTS, ENGINEERS AND SURVEYORS)

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

SCHEDULE

NAME OF PERSON(S) OR ORGANIZATION(S):
PER SCHEDULE ON FILE

PROJECT/LOCATION OF COVERED OPERATIONS:

PROVISIONS

A. The following is added to WHO IS AN INSURED (Section II):

The person or organization shown in the Schedule above is an additional insured on this Coverage Part, but only with respect to liability for "bodily injury", "property damage" or "personal injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- a. In the performance of your ongoing operations;
- b. In connection with premises owned by or rented to you; or
- c. In connection with "your work" and included within the "products-completed operations hazard".

Such person or organization does not qualify as an additional insured for "bodily injury", "property damage" or "personal injury" for which that person or organization has assumed liability in a contract or agreement.

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

- d. This insurance does not apply to the rendering of or failure to render any "professional services".
- e. The limits of insurance afforded to the additional insured shall be the limits which you agreed in that "contract or agreement requiring insurance" to provide for that additional insured, or the limits shown in the Declarations for this Coverage Part, whichever are less. This endorsement does not increase the limits of insurance stated in the LIMITS OF INSURANCE (Section III) for this Coverage Part.

B. The following is added to Paragraph a. of 4. Other Insurance in COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV):

However, if you specifically agree in a "contract or agreement requiring insurance" that, for the additional insured shown in the Schedule, the insurance provided to that additional insured under this

COMMERCIAL GENERAL LIABILITY

Coverage Part must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such additional insured which covers such additional insured as a named insured, and we will not share with the other insurance, provided that:

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

after you have entered into that "contract or agreement requiring insurance" for such additional insured. But this insurance still is excess over valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured when the additional insured is also an additional insured under any other insurance.

C. The following is added to Paragraph 8. Transfer Of Rights Of Recovery Against Others To Us in COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV):

We waive any rights of recovery we may have against the additional insured shown in the Schedule above because of payments we make for "bodily injury", "property damage" or "personal

injury" arising out of "your work" on or for the project, or at the location, shown in the Schedule above, performed by you, or on your behalf, under a "contract or agreement requiring insurance" with that additional insured. We waive these rights only where you have agreed to do so as part of the "contract or agreement requiring insurance" with that additional insured entered into by you before, and in effect when, the "bodily injury" or "property damage" occurs, or the "personal injury" offense is committed.

D. The following definition is added to DEFINITIONS (Section V):

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

- a. After you have entered into that contract or agreement;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.

Wood Rodgers, Inc
The Travelers Indemnity Co of CT
BA5367L055
10/01/2010-10/01/2011

TRAVELERS CORP. TEL: 1-800-328-2189
ARCHITECTS PLAN
COMMON POLICY DECLARATIONS
ISSUE DATE: 10/01/10
POLICY NUMBER: BA-5367L055-10-GRP

INSURING COMPANY:
TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

1. NAMED INSURED AND MAILING ADDRESS:

WOOD RODGERS INC.
3301 C ST BLDG 100B
SACRAMENTO, CA 95816

2. POLICY PERIOD: From 10/01/10 to 10/01/11 12:01 A.M. Standard Time at
your mailing address.

3. LOCATIONS

Premises	Bldg.		
Loc. No.	No.	Occupancy	Address

4. COVERAGE PARTS FORMING PART OF THIS POLICY AND INSURING COMPANIES:
COMMERCIAL AUTOMOBILE COV PART DECLARATIONS CA TO 01 02 07 TIL

5. NUMBERS OF FORMS AND ENDORSEMENTS

FORMING A PART OF THIS POLICY: SEE IL T8 01 10 93

6. SUPPLEMENTAL POLICIES: Each of the following is a separate policy
containing its complete provisions:

Policy	Policy No.	Insuring Company
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DIRECT BILL

7. PREMIUM SUMMARY:

Provisional Premium	\$ 69,001
Due at Inception	
Due at Each	

NAME AND ADDRESS OF AGENT OR BROKER:

DEALEY RENTON & ASSOC (CGW76)
P O BOX 12675
OAKLAND, CA 946042675

COUNTERSIGNED BY:

Authorized Representative

DATE: _____



POLICY NUMBER: BA-5367L055-10-GRP

EFFECTIVE DATE: 10-01-10

ISSUE DATE: 10-01-10

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS.

IL T0 02 11 89 COMMON POLICY DECLARATIONS
IL T8 01 10 93 FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS
IL T0 01 01 07 COMMON POLICY CONDITIONS

COMMERCIAL AUTOMOBILE

CA T0 01 02 07 ✓ BUSINESS AUTO COV PART ITEMS 1, 2
CA T0 02 11 06 ✓ BUSINESS AUTO COV PART DEC- ITEM 3
CA T0 03 02 07 ✓ BUSINESS AUTO COV PART ITEMS 4, 5
CA T0 30 11 06 ✓ BUSINESS AUTO/TRUCK COV PART-SUPPL SCHD
CA T0 31 11 07 ✓ TABLE OF CONTENTS-BUSINESS AUTO COV FORM
CA 00 01 03 06 ✓ BUSINESS AUTO POLICY
CA T4 00 01 04 ✓ AMENDATORY ENDORSEMENT
CA 01 36 10 01 ✓ NEVADA CHANGES
CA 01 43 05 07 ✓ CALIFORNIA CHANGES
CA 03 05 02 97 ✓ CA CHANGES-WAIVER OF COLLISION DED
CA 04 24 04 06 ✓ CALIFORNIA AUTO MED PAY COV
CA 20 48 02 99 ✓ DESIGNATED INSURED
CA 20 54 10 01 ✓ EMPLOYEE HIRED AUTOS *new/young*
CA 21 27 06 08 ✓ NEVADA UM COVERAGE
CA 21 54 09 09 ✓ CA UM MOTORISTS COVERAGE - BODILY INJURY
CA 99 03 03 06 ✓ AUTO MED PAY COVERAGE
CA 99 16 12 93 ✓ HIRED AUTOS SPECIF AS COV AUTOS YOU OWN
CA T3 40 08 08 ✓ BLANKET WAIVER OF SUBROGATION
CA T3 04 01 87 ✓ AMENDED TITLE-AUTO COVERAGE PARTS

INTERLINE ENDORSEMENTS

IL 00 21 09 08 NUCLEAR ENERGY LIAB EXCL END-BROAD FORM
IL 01 10 09 07 NV CHANGES-CONCEALMENT, MISREP OR FRAUD
IL 01 15 01 10 NEVADA CHANGES - DOMESTIC PARTNERSHIP
IL 02 51 09 07 NV CHANGES-CANCELLATION & NONRENEWAL
IL 02 70 09 08 CA CHANGES-CANCELLATION & NON-RENEWAL

POLICYHOLDER NOTICES

PN CA 36 09 05 CA AUTO BODY REPAIR CONS BILL OF RIGHTS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

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

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement effective 04/15/11	
Named Insured Wood Rodgers, Inc.	

SCHEDULE

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

County of Monterey
Resource Managment Agency
Attn: Dalia M. Mariscal
168 West Alisal Street, 2nd Floor
Salinas, CA 93901

All Operations of the Named Insured. The County of Monterey, its agents, officers and employees

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to the endorsement.)

Each person or organization shown in the Schedule is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who is An Insured Provision contained in Section II of the Coverage Form

POLICY NUMBER: BA5367L055

BUSINESS AUTOMOBILE LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

DESIGNATED INSURED ENDORSEMENT (CA 20 48)

Name of Person(s) or Organization(s)

County of Monterey
Resource Management Agency
Attn: Dalia M. Mariscal
168 West Alisal Street, 2nd Floor
Salinas, CA 93901

BUSINESS AUTO COVERAGE

Each person or organization indicated above is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in SECTION II of the Coverage Form.

Schedule continued: The County of Monterey, its agents, officers and employees

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET WAIVER OF SUBROGATION

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

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

Paragraph 5. Transfer of Rights Of Recovery Against Others To Us of the CONDITIONS section is replaced by the following:

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 executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of the operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.



BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

SECTION I - COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols
1	Any "Auto"
2	Owned "Autos" Only Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject To No-Fault Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos" Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only Only those "autos" you lease, hire, rent or borrow. This does not include any "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.
9	Nonowned "Autos" Only Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.
19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.



B. Owned Autos You Acquire After The Policy Begins

1. If Symbols 1, 2, 3, 4, 5, 6 or 19 are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, If Symbol 7 is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II - LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However,

we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a covered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.
 - (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership), or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "Insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 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.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-Of-State Coverage Extensions

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or

b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

a. An "employee" of the "insured" arising out of and in the course of:

- (1) Employment by the "insured"; or
- (2) Performing the duties related to the conduct of the "insured's" business; or

b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured

contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are ac-

cepted by the "insured" for movement into or onto the covered "auto"; or

- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by gov-

ernmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage Endorsement, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

SECTION III - PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

a. Comprehensive Coverage

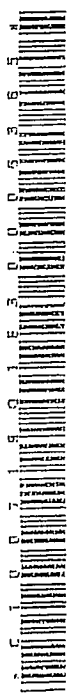
From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

b. Specified Causes Of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".



c. Collision Coverage

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

2. Towing

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. Glass Breakage - Hitting A Bird Or Animal - Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extensions

a. Transportation Expenses

We will pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

b. Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

B. Exclusions

- 1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

a. Nuclear Hazard

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

- 2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.
- 3. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
 - b. Blowouts, punctures or other road damage to tires.
4. We will not pay for "loss" to any of the following:
- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
 - b. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
 - c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
 - d. Any accessories used with the electronic equipment described in Paragraph c. above.

Exclusions 4.c. and 4.d. do not apply to:

- a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
 - b. Any other electronic equipment that is:
 - (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
 - (2) An integral part of the same unit housing any sound reproducing equipment described in Paragraph a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.
5. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limit Of Insurance

1. The most we will pay for "loss" in any one "accident" is the lesser of:
 - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
 - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION IV - BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions

1. Appraisal For Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized

representative prompt notice of the "accident" or "loss". Include:

- (1) How, when and where the "accident" or "loss" occurred;
- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and

b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment - Physical Damage Coverages

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

If we revise this Coverage Form to provide more coverage without additional premium

charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee - Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own.
- (2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".

d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed

for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico;
- d. Canada; and
- e. Anywhere in the world if:

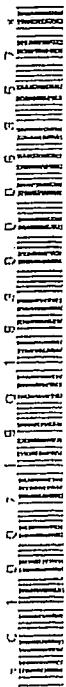
(1) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and

(2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to



apply as excess insurance over this Coverage Form.

SECTION V - DEFINITIONS

A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

B. "Auto" means:

1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured";
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are ac-

cepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph 6.b. or 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

H. "Insured contract" means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing; or
- b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business.

"Leased worker" does not include a "temporary worker".

J. "Loss" means direct and accidental loss or damage.

K. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises you own or rent;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers.
5. Vehicles not described in Paragraph 1., 2., 3., or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers.
6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
 - a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste; Waste includes materials to be recycled, reconditioned or reclaimed.
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:
 - 1. Damages because of "bodily injury" or "property damage"; or
 - 2. A "covered pollution cost or expense",

to which this insurance applies, are alleged.

"Suit" includes:

- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "Insured" must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the Insured submits with our consent.
- O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
 - P. "Trailer" includes semitrailer.

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