

Attachment A

COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:

Shepard AV LLC dba McCune Audio Video Lighting

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide: Public address system and corner worker communications for events and track rentals at WeatherTech® Raceway at Laguna Seca.

2.0 PAYMENT PROVISIONS:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, 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: \$220,000.00

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from May 1, 2024 to December 31, 2024, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement.**

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other: Equipment & Labor Rate Schedule

5.0 PERFORMANCE STANDARDS:

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

6.0 PAYMENT CONDITIONS:

- 6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.
- 6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.
- 6.03 Invoice amounts shall be billed directly to the ordering department.
- 6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

7.0 TERMINATION:

- 7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS:

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

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

9.02 **Qualifying Insurers:** All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

- 9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Requestor must check the appropriate Automobile Insurance Threshold:

Requestor must check the appropriate box.

☐ **Agreement Under \$100,000 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 \$500,000 per occurrence.

☒ **Agreement Over \$100,000 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 or Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail

coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

(Note: any proposed modifications to these insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

9.04 **Other Requirements:**

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.** The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of

this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY:

- 10.1 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.
- 10.2 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.
- 10.3 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.
- 10.4 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.
- 10.5 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11.0 NON-DISCRIMINATION:

- 11.1 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and

treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 COMPLIANCE WITH APPLICABLE LAWS:

13.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices require by law in the performance of the Services.

13.2 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	FOR CONTRACTOR:
Ryan Bell Monterey County Laguna Seca Representative	John Henley Executive Vice President
Name and Title	Name and Title
1441 Schilling Place, 2nd Floor South Salinas, CA 93901	1177 Logan Circle NW Atlanta, GA 30318
Address	Address
831-755-8912	404-720-8807
Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

- 16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the services required to be rendered under this Agreement.
- 16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.
- 16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 16.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.
- 16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

- 16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.
- 16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.
- 16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.
- 16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.
- 17.0 **CONSENT TO USE OF ELECTRONIC SIGNATURES.**
- 17.1 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 et. seq. Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this

Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.2 Counterparts.

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.3 Form: Delivery by E-Mail or Facsimile.

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

***** THIS SECTION INTENTIONALLY LEFT BLANK *****

18.0 SIGNATURE PAGE

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
 Contracts/Purchasing Officer
 Date: _____
 By: _____
 Department Head (if applicable)
 Date: _____

Approved as to Form
 Office of the County Counsel
 Susan Blitch, County Counsel
 Acting County Counsel

By: _____
 County Counsel
 DocuSigned by:
 Michael Whilden
 0F98C5BE9B6F476..

Date: 4/15/2024 | 2:35 PM PDT

Approved as to Fiscal Provisions

By: _____
 Auditor/Controller
 DocuSigned by:
 Jennifer Forsyth
 4E7E657875454AE

Date: 4/15/2024 | 6:23 PM PDT

Approved as to Liability Provisions
 Office of the County Counsel-Risk Manager
 Leslie J. Girard, County Counsel-Risk Manager

By: _____
 Risk Management

Date: _____

CONTRACTOR

Shepard AV LLC dba McCune Audio Video Lighting

By: _____
 Contractor/Business Name *
 (Signature of Chair, President, or Vice-President)
 John R. Hegner EUP
 Name and Title
 Date: 3/4/2024

By: _____
 (Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)
 John Tyler Meeks CFO
 Name and Title
 Date: 3/7/24

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal 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 or Amendment to said Agreement.

¹Approval by County Counsel is required

²Approval by Auditor/Controller is required

³Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9

Revised 9.3.21

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Agreement ID: May 1 - December 31, 2024
 Not to exceed \$220,000

Shepard AV LLC dba
 McCune Audio Video Lighting
 May 1 - December 31, 2024
 Not to exceed \$220,000

**Addendum to
County of Monterey Standard Agreement
Agreement ID: _____**

The following terms and conditions are hereby incorporated in and made part of that certain County of Monterey Standard Agreement, dated May 1, 2024 (the "Agreement"), by and between the County of Monterey ("County") and Shepard AV LLC dba McCune Audio Video Lighting ("Contractor") (the "Addendum"):

1. The County and A&D Narigi Consulting, LLC ("LSRA Manager") are parties to that certain Agreement for the Operation and Management of the Laguna Seca Recreational Area, dated January 2020 and executed by the County on November 20, 2019 (the "Management Agreement"), as maybe amended from time to time, whereby LSRA Manager is the County's agent and manages, on behalf of the County, and pursuant to the terms of the Management Agreement, the Laguna Seca Recreational Area (the "LSRA") and the WeatherTech® Raceway at Laguna Seca (the "Raceway") located thereon.

2. The County, Contractor and LSRA Manager shall be individually referred to herein as "Party" and collectively as "Parties."

3. The Parties hereby agree that all Contractor's representations, warranties and covenants in the Agreement shall run to and have been made for the benefit of both County and LSRA Manager.

4. Section 3.02 is deleted in its entirety and replaced with:

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with good cause immediately. In the event that the County terminates this Agreement without cause, the County shall pay Contractor all sums due for work performed by Contractor, including demobilization costs, through the effective date of the cancellation. In the event that the County terminates this Agreement with good cause, the County shall pay Contractor all sums due for work performed by Contractor through the effective date of the cancellation.

5. Section 7.01, last sentence is deleted and replaced with:

"In the event of such termination, the County shall pay Contractor all sums due for work performed by Contractor, including demobilization costs, through the effective date of the cancellation."

6. Section 7.02, last two sentences are deleted and replaced with:

"In the event that County terminates this Agreement with good cause, the County shall pay Contractor all sums due for work performed by Contractor through the effective date of the cancellation."

7. Section 7.03 is deleted in its entirety.

8. Section 8.0 INDEMNIFICATION: Section 8.0 shall be deleted in its entirety and the following inserted in its stead:

“8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County and the LSRA Manager, and their officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County or the LSRA Manager. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.”

9. The third paragraph of Section 9.04 Other Requirements shall be deleted in its entirety and the following inserted instead:

“Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey and the LSRA Manager and their officers, agent, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and the LSRA Manager and that the insurance of the Additional Insureds shall not be called upon to contribute to loss covered by the CONTRACTOR'S insurance. CONTRACTOR must submit certificates of coverage and endorsement forms that are acceptable to the County Counsel-Risk Manager.”

10. Section 14 NOTICES is hereby amended by adding LSRA Manager's information as follows:

FOR LSRA MANAGER:

John Narigi
President & General Manager
1021 Monterey Salinas Hwy
Salinas, CA 93908
831-242-8201

11. Section 16.05 Disputes, add the following to the section:

“All disputes shall first be attempted to be resolved through good-faith negotiation by the Parties. If the dispute cannot be resolved through good-faith negotiation, then the dispute shall be resolved through arbitration by a single arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association.”

12. All capitalized terms not defined herein this Addendum shall have the meaning as defined in the Agreement.

13. Should any portion of this Addendum conflict with the language contained in the Agreement, the Addendum shall take precedence.

14. Attached hereto and incorporated herein are Exhibits A and B.

Exhibit A

Scope of Contractor Services

The CONTRACTOR will provide the following services at the direction and in cooperation with LSRA MANAGER:

Article I – Contractor Minimum Work Performance Percentage

1.01 CONTRACTOR shall perform with own organization contract work amounting to not less than 50 percent of the original work, except that any designated 'Specialty Items' may be performed by a subcontract and the amount of any such 'Specialty Items' so performed shall be paid by CONTRACTOR and detailed on quote and subsequently the invoice submitted to County by CONTRACTOR. CONTRACTOR shall be solely responsible for payment to any and all sub-contractors.

Article II – CONTRACTOR RESPONSIBILITIES

2.01 CONTRACTOR has been approved to be a provider of PUBLIC ADDRESS SYSTEM COMMUNICATIONS AND CIRCUIT WORKER COMMUNICATIONS for the Laguna Seca Recreation Area / WeatherTech® Raceway at Laguna Seca.

2.02 CONTRACTOR agrees to provide the COUNTY with the necessary communication system so that Race Control can fully communicate with circuit workers to report incidents, flagging instructions, etc.

2.03 CONTRACTOR states that the system being provided for the COUNTY use is a proprietary, custom-designed and custom-built system that comprises 'Turn Positions' consisting of a micro-phone, one (1) or two (2) headsets, and the necessary electronics to ensure proper operation during each event.

2.04 CONTRACTOR agrees to provide the COUNTY with the necessary equipment required to communicate positions in each turn, the hot pit, re-entry points from the track, tech inspection, safety, timing, announcers, impound, Race Control, and other identified required areas in need of communication.

2.05 CONTRACTOR agrees to provide the COUNTY with a distributed Public Address system for public announcements, national anthems, etc. This system comprises several parts (control, horns, wiring, etc.).

2.06 CONTRACTOR shall ensure that the provided 'Paddock PA' system covers at a minimum ninety percent (90%) of the paddock area. This system may also be utilized during club events and track rental days for the announcing of grid calls and other pertinent announcements.

2.07 CONTRACTOR shall ensure that the 'Track PA' system provided covers at a minimum ninety percent (90%) of the occupied spectator areas around the track and shall consist of a minimum one-hundred forty (140) horns mounted on poles and structures around the property.

2.08 CONTRACTOR and COUNTY both acknowledge that both PA systems and the communications systems originate in the "Electronics Shack" on the driver's right side of the track at start/finish.

2.09 CONTRACTOR agrees to supply the COUNTY with the requested services on a quoted basis during any event within the Laguna Seca Recreation Area facility during the term of this Agreement. CONTRACTOR shall also supply and bill third-party customers for requested services during any event within the Laguna Seca Recreation Area facility during the term of this Agreement and remit an eighteen percent (18%) fee of the amount charged to third-party customers for rental equipment, after any discounts. Amounts charged to customers for labor, expenses, re-rented items or expendables will not be subject to the 18% fee. Event types include premier events, track rentals, facility rentals, or other non-premier events.

2.10 CONTRACTOR agrees that any additional work completed outside of the events listed with pricing as stated in Section 2.11 will be based on the equipment price list and hourly rates for regular and overtime, as noted in Exhibit B.

2.11 The 2024 specified full-service events as outlined in Sections 2.01 through 2.09 are as follows. Events and event dates are subject to change.

May 10 - 12	MOTUL Course de Monterey (IMSA)	\$42,225
May 17 - 19	Ferrari Racing Days	\$16,693
June 21 - 23	Firestone Grand Prix of Monterey (NTT INDYCAR)	\$54,117
July 12 - 14	MotoAmerica Superbike SpeedFest at Monterey	\$28,849
August 10 - 11	Monterey Pre Reunion & Community Day	\$10,845
August 14 - 17	Rolex Monterey Motorsports Reunion	\$40,124

2.12 CONTRACTOR agrees to provide the COUNTY with all services as requested on a quoted basis for the scope of work specified. This includes, but is not limited to, additional speaker and communications locations for events and A/V support for hospitality functions, private events, staff orientations, etc. Both parties agree that these additional service requests are to be quoted on a job-by-job basis, with approval based on signed purchase order by LSRA Manager.

2.13 CONTRACTOR shall always maintain in full force during the performance of this Agreement, insurance covering all its operations.

2.14 CONTRACTOR shall inform COUNTY of any services provided at its facility at the time of booking. No deliveries or set-up during a major spectator event shall occur without first informing COUNTY and receiving written authorization from the COUNTY that requested delivery is approved. This is to ensure proper placement and ensure other work is not negatively impacted. Failure by CONTRACTOR to comply with this requirement may result in the delay or prohibiting of delivery or installation.

Article III – COUNTY RESPONSIBILITIES

3.01 COUNTY shall provide CONTRACTOR with a mutually agreed upon number of worker passes, delivery passes and parking passes, subject to a written request, received by the Operations Office no later than ten (10) days prior to any premier spectator event(s).

3.02 COUNTY shall provide CONTRACTOR with a list and a map of all locations that CONTRACTOR will be delivering to and installing at for each event, at least five (5) business days prior to the start date for each scheduled event. CONTRACTOR and COUNTY both agree that there may be changes to the identified sites of delivery and installations up to and even during the event, and both parties agree to work with each other to ensure that the needs of the clients are met in a timely manner.

3.03 COUNTY shall list CONTRACTOR as an “approved” communications company on track rental contracts, hospitality agreement, and team information for all premier spectator events. CONTRACTOR shall also be referred as an approved communications company for all track rentals and other events held at the facility.

3.04 COUNTY shall supply a telephone extension at the Electronics Shack for CONTRACTORS use. Said phone will only be used by CONTRACTOR in conducting race operations and not for any other business. Cost for telephone line and service to be paid for by COUNTY.

Article IV – FEES

4.01 CONTRACTOR agrees to extend to the COUNTY a 30% DISCOUNT on invoiced equipment rental amount on jobs billed to and through the COUNTY. CONTRACTOR shall apply this discount if the COUNTY pays within forty (40) days from the date invoice is certified as properly received by the COUNTY Auditor-Controller’s office. If the COUNTY fails to meet payment schedules as listed in this Agreement, the COUNTY will forfeit the 30% DISCOUNT for the past due invoice.

4.02 CONTRACTOR shall provide LSRA MANAGER with a detailed invoice for services rendered at the conclusion of each event. If CONTRACTOR is providing services for multiple days over an event week(end), a progress payment may be made by LSRA MANAGER for completed services only. CONTRACTOR shall provide LSRA MANAGER with a detailed invoice for work completed to date and LSRA MANAGER will pay CONTRACTOR from its Operations Account. Upon conclusion of said event, CONTRACTOR shall provide LSRA MANAGER with a final detailed invoice for the remaining balance owing. Final payment may be made by LSRA MANAGER or submitted to COUNTY for payment through COUNTY’s standard processes.

4.03 CONTRACTOR shall pay COUNTY an 18% operations fee on the total amount invoiced (minus tax and any discount provided) to third-party customers. Amounts charged to customers for labor, expenses, re-rented items, or expendables will not be subject to the 18% fee. CONTRACTOR shall provide COUNTY, within five (5) working days of the event, a copy of the actual billing sent to each customer. The operations fee shall then be calculated and billed to CONTRACTOR

based on these invoices within 30 days of receipt of the invoiced copies of each job. CONTRACTOR shall remit payment to COUNTY within 60 days of receipt. This fee can be waived by COUNTY if deemed necessary via a written request from LSRA Manager to CONTRACTOR.

4.04 CONTRACTOR to complete COUNTY documentation necessary to have an open Purchase Order with the COUNTY for payment of the actual fees.

Article V – EQUIPMENT

5.01 CONTRACTOR and COUNTY agree that all equipment is to be provided and is owned by CONTRACTOR in provision of this service agreement and COUNTY has no responsibility to purchase, upgrade or maintain equipment. If equipment is damaged during event hours, based on specific event date, the cost to repair damages will be paid by COUNTY, with prior approval by LSRA Manager.

5.02 CONTRACTOR and COUNTY agree that all conduit, affixed communication wires and poles will be considered part of the negotiations regarding value of system at contract termination.

5.03 COUNTY shall have right of purchase (no obligation) for an agreed upon price determined by a third-party appraiser all affixed equipment, including but not limited to speakers, electronics, poles, etc., that are utilized in the production of services outlined within this contract. Should COUNTY wish to pursue purchasing said equipment, COUNTY and CONTRACTOR to agree on a reputable firm to complete an appraisal. Cost of appraisal to be borne by COUNTY. Appraisal, should one be ordered, to be completed by December 31, 2024. Once value is determined, COUNTY and CONTRACTOR to mutually agree on purchase price.

*****END OF EXHIBIT A*****

Exhibit B Equipment & Labor Rate Schedule

The following listed rates for Daily Equipment Rental and Base Labor Rates provided by CONTRACTOR will remain in effect throughout the duration of this Agreement. Services approved per purchase order by Director of Operations or assignee.

Daily Equipment Rental Rates:

Paddock P.A.	\$ 375.00
Spectator P.A.	4,500.00
Racetrack Announce (incl. mixer)	150.00
2-Pack Axient Wireless Microphone Kit	550.00
Racetrack Tower Equipment	75.00
Racetrack Intercom Base Station	150.00
Racetrack Intercom Position	28.50

Labor Hourly Rates: *All labor carries an 8-hour minimum*

Racetrack Supervisor	\$ 94.50
Racetrack Communications Assistant	87.50
Racetrack Assistant	87.50

Pay Rules:

Regular time: The first 8 hours worked between 7am and 12am midnight. 40 regular hours during the first five days.

Overtime (time and a half): After 40 hours in a week; after 8 hours worked in a day and before 12 hours in that same day. All work on the 6th consecutive day excluding any double-time hours.

Double time: After 12 hours worked in a day. All work between 12am midnight and 7am. Any call started prior to 6am will remain at double time (2x) until a 9-hour rest period is given. All work performed on the 7th consecutive day. All work performed on a national holiday.

Holidays: New Year's Eve, New Year's Day, (12:00pm December 31 to 11:59pm January 1), Martin Luther King Day, President's Day, Veteran's Day, Memorial Day, Juneteenth, The Third and Fourth of July, Labor Day, Thanksgiving Eve, Thanksgiving Day, Christmas Eve, Christmas Day.

*****END OF EXHIBIT B*****