

**AMENDMENT NO. 3
FOR PROFESSIONAL SERVICES AGREEMENT
BETWEEN Paragon Mechanical AND
THE NATIVIDAD MEDICAL CENTER
FOR**

Preventative Maintenance, Repairs and Parts for Chillers and VFD's Services

The parties to Professional Services Agreement ("Agreement"), dated July 1, 2008 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Paragon Mechanical (Contractor), hereby agree to amend their Agreement (No.A-11696) on the following terms and conditions:

WHEREAS, the County and Contractor wish to amend the Agreement to extend the term end date to allow for existing services to continue.

WHEREAS, the County and Contractor wish to amend the Agreement to increase the amount of the Agreement because of the term extension.

WHEREAS, the County and Contractor amended the Agreement previously on July 1, 2009 via Amendment No. 1, on March 1, 2010 via Amendment No. 2, and on July 1, 2011 via Renewal No.1.

1. Contractor will continue to provide NMC with the same scope of services as stated in the original Agreement (No. A-11696).
2. Section 2. "PAYMENTS BY NMC" shall be amended by removing, "*The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of \$45,000.*" and replacing it with "*The total amount payable by County to CONTRACTOR under Agreement No. (A-11696) shall not exceed the total sum of \$446,000 for the full term of the Agreement.*"
3. Section 3. "TERM OF AGREEMENT" shall be amended by removing, "*The term of this Agreement is from July 1, 2008 to June 30, 2009 unless sooner terminated pursuant to this Agreement*" and replacing it with "*The term of this Agreement is from July 1, 2008 to June 30, 2013 unless sooner terminated pursuant to this Agreement.*"
4. All other terms and conditions of the Agreement shall continue in full force and effect. Except as provided herein, all remaining terms, conditions and provisions of the Agreement and Amendment Nos. 1, 2, and Renewal No. 1 are unchanged and unaffected by this Amendment and shall continue in full force and effect as set forth in the Agreement.
5. A copy of this Amendment and all previous amendments shall be attached to the original Agreement (No. A-11696).
6. The effective date of this Amendment is July 1, 2012.

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment on the basis set forth in this document and have executed this Amendment on the day and year set forth herein.

CONTRACTOR

Signature 1 

Dated 4-9-12

Printed Name JOHN WATSON

Title PRESIDENT

Signature 2 

Dated 4-9-12

Printed Name STEVE BENAKOVICH

Title VP

***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 and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.

NATIVIDAD MEDICAL CENTER

Signature _____
Purchasing Manager

Dated _____

Signature 
NMC - CEO

Dated 4/23/12

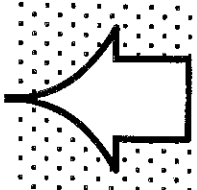
Approved as to Legality and Legal Form:

Charles J. McKee, County Counsel

By _____

Stacy Saetta, Deputy
Attorneys for County and NMC

Dated: _____, 2012



MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING:	November 15, 2011	AGENDA NO.:
SUBJECT:	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute a Renewal to the Agreement (A-11696) with Paragon Mechanical for Repair and Maintenance Services at NMC, extending the Agreement to June 30, 2012 and adding \$80,000 for Fiscal Year 2011/2012 for a revised total Agreement amount not to exceed \$306,000 in the aggregate.	
DEPARTMENT:	Natividad Medical Center	

RECOMMENDATION:

It is recommended the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute a Renewal to the Agreement (A-11696) with Paragon Mechanical for Repair and Maintenance Services at NMC, extending the Agreement to June 30, 2012 and adding \$80,000 for Fiscal Year 2011/2012 for a revised total Agreement amount not to exceed \$306,000 in the aggregate.

SUMMARY/DISCUSSION:

Paragon Mechanical specializes in preventive maintenance and repair service on Heating, Ventilation, and Air Conditioning (HVAC) systems. Paragon Mechanical possesses expertise on the more complex HVAC components such as chillers, and variable frequency drives (VFD's) as well as on medical air compressors and medical vacuum pumps. These systems and components are vital to patient care at NMC and are regulated and audited by the Joint Commission for the Accreditation of Healthcare Organizations (JCAHO), and the state of California through Title 22. The HVAC systems are also vital to supporting equipment and processes in the Laboratory, Radiology, and the Pharmacy. NMC has had an agreement with Paragon Mechanical since 2008 and has recently added more HVAC preventive maintenance work due to the installation of two additional HVAC units in the Administration area. Additionally, Paragon Mechanical will provide preventative maintenance services previously provided under an agreement with an alternate vendor which NMC no longer uses.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Renewal as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Renewal as to fiscal provisions. The Renewal has also been reviewed and approved by Natividad Medical Center's Board of Trustees.

FINANCING:

The cost for this Renewal is \$80,000 and is included in the Fiscal Year 2011/2012 Recommended Budget. There is no impact to the General Fund.

Prepared by:
James Kari, 755-4081
Director of Engineering
June 21, 2011

Harry Weis
Chief Executive Officer

Attachments: Agreement, Board Order
Attachments are on file with the Clerk of the Board

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

Agreement No.: A-11696

Authorize the Purchasing Manager for Natividad)
Medical Center (NMC) to execute Renewal to the)
Agreement (A-11696) with Paragon Mechanical for)
Repair and Maintenance Services at NMC, extending)
the Agreement to June 30, 2012 and adding \$80,000)
for Fiscal Year 2011/2012 for a revised total)
Agreement amount not to exceed \$306,000 in the)
aggregate.....)

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

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal to the Agreement (A-11696) with Paragon Mechanical for Repair and Maintenance Services at NMC, extending the Agreement to June 30, 2012 and adding \$80,000 for Fiscal Year 2011/2012 for a revised total Agreement amount not to exceed \$306,000 in the aggregate.

PASSED AND ADOPTED on this 15th day of November 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 November 15, 2011.

Dated: November 17, 2011

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

By Jamie Hancock
Deputy

**RENEWAL
TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN NATIVIDAD MEDICAL CENTER (COUNTY OF MONTEREY) AND
PARAGON MECHANICAL**

THIS RENEWAL to the County of Monterey Agreement for Professional Services (hereinafter, "RENEWAL") is made and entered into, by and between the Natividad Medical Center (County of Monterey), a political subdivision of the State of California (hereinafter, "County"), and Paragon Mechanical (hereinafter, "CONTRACTOR") (collectively, the County and CONTRACTOR are referred to as the "Parties.").

WHEREAS, the Parties had previously entered into an Agreement for Professional Services (hereinafter, "Agreement"), on July 01, 2008; and

WHEREAS, the Agreement was amended on July 01, 2009 (hereinafter, "Amendment No. 1"); and

WHEREAS, the Agreement was amended on July 01, 2010 (hereinafter, "Amendment No. 2"); and

WHEREAS, the Agreement and all Amendments are, attached hereto as Attachment No. 1; and

WHEREAS, that Agreement expired on June 30, 2011; and

WHEREAS, the Parties wish to renew the Agreement on the same or similar terms, beginning July 01, 2011, and increase the amount payable by \$80,000 to continue to provide services associated with Preventative Maintenance, repairs and parts for Chillers and VFD's(variable frequency devices) at NMC services within the County of Monterey.

NOW THEREFORE, the Parties agree as follows:

1. The Agreement is hereby renewed on its prior terms and conditions as set forth in Attachment 1, incorporated herein by this reference, except as specifically set forth below.
2. The term of this RENEWAL is from July 01, 2011 to June 30, 2012, unless sooner terminated pursuant to the terms of this RENEWAL, or extended in writing.
3. County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Attachment 1, subject to the limitations set forth in this RENEWAL. The total amount payable by County to CONTRACTOR shall not exceed the sum of \$306,000.

4. If there is any conflict or inconsistency between the provisions of Agreement, or this RENEWAL, the provisions of this RENEWAL shall govern.

IN WITNESS WHEREOF, the parties hereby execute this RENEWAL as follows:

NATIVIDAD
MEDICAL CENTER

By: [Signature]
NMC Contracts/Purchasing Agent

Date: 11-90-11

By: [Signature]
Department Head (if applicable)

Date: 10/17/11

By: [Signature]
Stacy Saetta, Deputy County Counsel

Date: 10/21/11

By: [Signature]
Auditor/Controller

Date: 10/21/11

CONTRACTOR

PARAGON MECHANICAL
Contractor's Business Name

[Signature]
Signature of Chair, President, or Vice-President

STEVE BENAKOVICH VP
Name and Title

Date: 10-7-11

By: [Signature]
Signature of Secretary, Asst. Secretary,
CFO, Treasurer, or Asst. Treasurer

STEVE BENAKOVICH SECRETARY
Name and Title

Date: 10-7-11

***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 and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING:	May 11, 2010	AGENDA NO.:
SUBJECT:	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #2 to the Agreement with Paragon Mechanical Inc. for Preventative Maintenance, repair and parts for Chillers and VFD Services at NMC in an amount not to exceed \$226,000 (an increase of \$45,000 in Fiscal Year 2009/2010) and \$90,000 in Fiscal Year 2010/2011, for the period March 1, 2010 to June 30, 2011.	
DEPARTMENT:	Natividad Medical Center	

RECOMMENDATION:

It is recommended that the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #2 to the Agreement with Paragon Mechanical Inc. for Preventative Maintenance, repair and parts for Chillers and VFD Services at NMC in an amount not to exceed \$226,000 (an increase of \$45,000 in Fiscal Year 2009/2010) and \$90,000 in Fiscal Year 2010/2011, for the period March 1, 2010 to June 30, 2011.

SUMMARY/DISCUSSION:

Paragon Mechanical specializes in Heating Ventilation Air Conditioning (HVAC) Chiller and Heating Ventilation Air Conditioning (HVAC) Variable Frequency Drive (VFD's) Services/Repairs and Preventative Maintenance (PM) as well as on medical air and vacuum compressors. These compressors are vital to the patient care equipment throughout NMC facility and is a requirement by The Joint Commission, the Preventative Maintenance and upkeep/repairs to the Chillers and VFD's are a vital service to maintain the heating and cooling of the entire hospital including areas such as the Lab, Pharmacy, Radiology departments and all patient care areas. NMC has had an agreement with Paragon Mechanical since 2008 and has recently added more HVAC PM work due to the installation of two additional HVAC units in the Administration area. Paragon Mechanical will also be providing PM services to replace the vendor A & B Mechanical, which NMC will no longer use. NMC wishes to increase the current agreement to meet the remaining needs for FY2010 and rollover the agreement for FY2011.

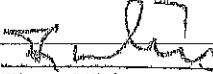
OTHER AGENCY INVOLVEMENT:

The Amendment has been reviewed and approved by County Counsel, the Auditor/Controller's office and the Natividad Medical Center Board of Trustees.

FINANCING:

The cost for this Amendment is \$135,000; \$45,000 of which is included in the approved FY 2009-10 Budget. \$90,000 is included in the 2010/2011 FY Recommended Budget. This action will not require any additional General Fund subsidy.

Prepared by:
Jim Kati
NMC Engineering Dept. Head
February 12, 2009



Harry Wels
Chief Executive Officer

Attachments: Amendments #1 & #2, Agreement, Board Order

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

Agreement No: A - 11696

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to)
execute Amendment No. 2 to the Agreement with Paragon Mechanical Inc.)
for Preventative Maintenance, repair and parts for Chillers and VFD Services)
at NMC in an amount not to exceed \$226,000 (an increase of \$45,000 in)
Fiscal Year 2009/2010) and \$90,000 in Fiscal Year 2010/2011, for the period)
March 1, 2010 to June 30, 2011.)

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

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 2 to the Agreement with Paragon Mechanical Inc. for Preventative Maintenance, repair and parts for Chillers and VFD Services at NMC in an amount not to exceed \$226,000 (an increase of \$45,000 in Fiscal Year 2009/2010) and \$90,000 in Fiscal Year 2010/2011, for the period March 1, 2010 to June 30, 2011.

PASSED AND ADOPTED this 11th day of May, 2010, by the following vote, to wit:

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

I, Gail T. Borzkowski, 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 May 11, 2010.

Dated: May 13, 2010

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

By 
Deputy

AMENDMENT NO. 2
FOR PROFESSIONAL SERVICE AGREEMENT
BETWEEN PARAGON MECHANICAL, INC. AND
THE NATIVIDAD MEDICAL CENTER

FOR
Preventative Maintenance, repairs and parts for Chillers and VED's SERVICES

The parties to Professional Service Agreement, dated July 01, 2008 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Paragon Mechanical, INC.(Contractor), hereby agree to amend their Agreement No. (BPO 9600 430) on the following amended terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement (BPO 9600 430) with additional Scope of service as stated in Attachment A which will be attached to Amendment #2.
2. This Amendment shall become effective on March 01, 2010 and shall continue in full force and extending the term date until June 30, 2011.
3. The total amount payable by County to Contractor under Agreement No. (BPO 9600 430) shall not exceed the total sum of \$226,000.00 for the full term of the Agreement and \$91,000 for fiscal year 2009-2010.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (BPO 9600 430)

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

CONTRACTOR

Signature Vince Vreeland

Dated 3-2-10

Printed Name Vince VREELAND

Title Service Manager

NATIVIDAD MEDICAL CENTER

Signature [Signature]
Purchasing Manager

Dated 3/18/10

Signature [Signature]
MANAGER

Dated: 3/18/10

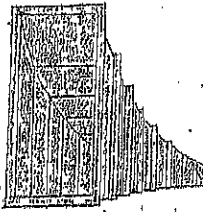
Approved as to Legal Form:

Charles J. McKee, County Counsel

By [Signature]
Stacey Sacita, Deputy
Attorneys for County and NMC

Reviewed as to fiscal provisions
[Signature]
Auditor-Controller
County of Monterey
5-18-10

Dated: 3/18, 2010



PARAGON
MECHANICAL INC.
 CONTRACTORS LICENSE NO. A90427

ATTACHMENT A

P.O. BOX 68, SANTA CLARA, CA 95052 (408) 727-7803 FAX: (408) 566-6190

STANDARD TERMS AND CONDITIONS
 NATIVIDAD HOSPITAL

HVAC SERVICE Standard..... Package Units / Basic Service Calls

- Straight time labor
- Monday - Friday 8:00 AM - 4:30 PM.....\$125.00 per hour*
- Overtime labor
- Monday - Friday 4:30 PM - 8:00 AM, Saturday & Sunday, select holidays.....\$187.50 per hour*
- Doubletime labor
- Select holidays.....\$250.00 per hour*

HVAC Chiller Services

- Straight time labor
- Monday - Friday 8:00 AM - 4:30 PM.....\$135.00 per hour*
- Overtime labor
- Monday - Friday 4:30 PM - 8:00 AM, Saturday & Sunday, select holidays.....\$202.50 per hour*
- Doubletime labor
- Select holidays.....\$270.00 per hour*

HVAC Variable Frequency Drive Services

- Straight time labor
- Monday - Friday 8:00 AM - 4:30 PM.....\$142.00 per hour*
- Overtime labor
- Monday - Friday 4:30 PM - 8:00 AM, Saturday & Sunday, select holidays.....\$213.00 per hour*
- Doubletime labor
- Select holidays.....\$284.00 per hour*

*subject to union negotiations yearly in July.

- Fuel Service Charges.....one per day per truck \$40.00*
- Travel no extra charges labor billing is Portal to Portal.

(Original Agreement No. (B960974415))

RENEWAL AMENDMENT NO. 1
FOR PROFESSIONAL SERVICE AGREEMENT
BETWEEN Paragon Mechanical Inc. AND
THE COUNTY OF MONTEREY
FOR

Preventative Maintenance, repairs and Parts for Chillers and VFD's

The parties to Professional Service Agreement, dated July 01, 2008 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Paragon Mechanical Inc. (Contractor), hereby agree to renew their Agreement No. (B960974415) on the following amended terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (B960974415).
2. This Renewal Amendment shall become effective on July 01, 2009 and shall continue in full force and extending the term date until June 30, 2010.
3. The total amount payable by County to Contractor under Agreement No. (B960974415) shall not exceed the total sum of \$91,000.00 for the full term of the Agreement and \$46,000.00 for fiscal year 2009-2010.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (B960974415).

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

CONTRACTOR

Signature [Signature]

Dated 4/10/09

Printed Name Steve Benakovich

Title vice president

COUNTY OF MONTEREY

Signature [Signature]
Purchasing Manager

Dated 5/23/09

Signature [Signature]
NMC - CEO

Dated 5/1/09

Approved as to Legal Form:
Charles J. Wicks, County Counsel

By [Signature]
William Litt, Deputy
Attorneys for County and NMC

Dated 5/11, 2009

Reviewed as to fiscal provisions

[Signature]
Auditor-Controller
County of Monterey

**COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES
(NOT TO EXCEED \$100,000)**

This Professional Services Agreement (hereinafter "Agreement") is made by and between Natidad Medical Center ("NMC"), a general acute care teaching hospital wholly owned and operated by the County of Monterey, which is a political subdivision of the State of California and Paragon Mechanical INC. (hereinafter "CONTRACTOR")

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

1. **SERVICES TO BE PROVIDED.** NMC 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 services are generally described as follows: Provide Preventive Maintenance, repairs and parts for Chillers and VFD's

2. **PAYMENTS BY NMC.** NMC 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 NMC to CONTRACTOR under this Agreement shall not exceed the sum of \$ 45,000.

3. **TERM OF AGREEMENT.** The term of this Agreement is from July 01, 2008 to June 30, 2009, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and NMC and with NMC signing last, and CONTRACTOR may not commence work before NMC signs this Agreement.

4. **ADDITIONAL PROVISIONS/EXHIBITS.** 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~~
- ~~Exhibit C~~

5. 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 NMC, or immediate family of an employee of NMC.

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 NMC premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6. PAYMENT CONDITIONS.

6.01. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to NMC. If not otherwise specified, the CONTRACTOR may 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 as NMC may require. The Contract Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as NMC 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.

6.02. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

7. TERMINATION.

7.01. During the term of this Agreement, NMC 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. NMC 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 NMC terminates this Agreement for good cause, NMC may be relieved of the payment of any consideration to CONTRACTOR, and NMC may proceed with the work in any manner, which NMC deems proper. The cost to NMC shall be deducted from any sum due the CONTRACTOR under this Agreement.

8. INDEMNIFICATION: Contractor shall indemnify, defend, and hold harmless NMC and the County of Monterey (hereinafter "County"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by Contractor and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by NMC. It is the intent of the parties to this Agreement to provide the broadest possible coverage for NMC. The Contractor shall reimburse NMC for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the Contractor is obligated to indemnify, defend and hold harmless NMC and the County under this Agreement.

9. INSURANCE.

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 NMC'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 NMC 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 NMC's Contracts/Purchasing Director.

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.

Exemption/Modification (Justification attached; subject to approval).

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.

Exemption/Modification (Justification attached; subject to 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.

Exemption/Modification (Justification attached; subject to 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.

Exemption/Modification (Justification attached; subject to approval).

9.04. Other Insurance Requirements:

All insurance required by this Agreement shall be with a company acceptable to NMC 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 NMC 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 auxiliary and associated 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 caused by the CONTRACTOR'S negligence. The required endorsement from the Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CA 20 310 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 38 02-99.

Prior to the execution of this Agreement by NMC, CONTRACTOR shall file certificates of insurance with NMC's Contracts/Purchasing Department, 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 at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by NMC, annual certificates to NMC's Contracts/Purchasing Department. If the certificate is not received by the expiration date, NMC 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 NMC, at its sole discretion, to terminate this Agreement immediately.

10. RECORDS AND CONFIDENTIALITY

10.01. 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 NMC or prepared in connection with the performance of this Agreement, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to NMC 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.

10.02. NMC Records. When this Agreement expires or terminates, CONTRACTOR shall return to NMC any NMC records which CONTRACTOR used or received from NMC to perform services under this Agreement.

10.03. 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.

10.04. Access to and Audit of Records. NMC 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 NMC or as part of any audit of NMC, 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.

10.05. Royalties and Inventions. NMC 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 NMC.

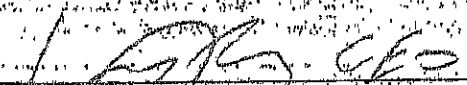

11. NON-DISCRIMINATION. During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, 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 populations as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

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

- 15.06 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 NMC. None of the services covered by this Agreement shall be subcontracted without the prior written approval of NMC. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.
- 15.07 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of NMC 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.
- 15.08 Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 15.09 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 15.10 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.
- 15.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 15.12 Non-exclusive Agreement. This Agreement is non-exclusive and both NMC and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 15.13 Construction of Agreement. NMC and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rules 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.
- 15.14 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.
- 15.15 Authority. Any individual executing this Agreement on behalf of NMC or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to execute this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 15.16 Integration. This Agreement, including the exhibits, represents the entire Agreement between NMC 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 NMC and the CONTRACTOR as of the effective date of this Agreement, which is the date that NMC signs the Agreement.
- 15.17 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.

13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of NMC. No offer or obligation of permanent employment with NMC or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from NMC 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 NMC and the County of Monterey harmless from any and all liability, which NMC may incur because of CONTRACTOR's failure to pay such taxes.

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

FOR NATIVIDAD MEDICAL CENTER:	FOR CONTRACTOR:
	
Name and Title	Name and Title
1441 Constitution Blvd, Bldg 900 P.O. Box 81611, Salinas CA 93912	P.O. Box 58 Santa Clara, CA 95052
Address	Address
831-755-4290 831-755-4268 fax	408-727-7303
Phone	Phone

15. **MISCELLANEOUS PROVISIONS.**

15.01 **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 professional services required to be rendered under this Agreement.

15.02 **Amendment.** This Agreement may be amended or modified only by an instrument in writing signed by NMC and the CONTRACTOR.

15.03 **Waiver.** Any waiver of any terms and conditions of this Agreement must be in writing and signed by NMC 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.

15.04 **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.

15.05 **Disputes.** CONTRACTOR shall continue to perform under this Agreement during any dispute.

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

NATIVIDAD MEDICAL CENTER

By: [Signature]
Contracts/Purchasing Director

Date: _____

By: [Signature]
Department Head (if applicable)

Date: 7/8/08

Approved as to Form _____

By: _____
NMC County Counsel

Date: _____

Approved as to Fiscal Provisions¹ _____

By: [Signature]
Auditor/Controller

Date: 12/12/08

Approved as to Liability Provisions² _____

By: _____
NMC Risk Management

Date: _____

CONTRACTOR

Paragon Mechanical Inc.
Contractor's Business Name*

By: [Signature]
(Signature of Chair, President, or Vice-President)*

Vice - President
Name and Title

Date: 8/29/08

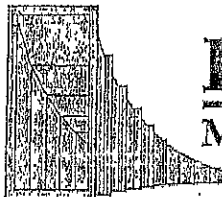
By: [Signature]
(Signature of Secretary, Assn Secretary, CFO, Treasurer or Assn. Treasurer)*

Treasurer
Name and Title

Date: 8/29/08

¹INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and was formed under the laws of the state 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.

¹Approval by Auditor/Controller is necessary only if changes are made in paragraph 6 or if changes are made in paragraph 2 by amendment.
²Approval by Risk Management is necessary only if changes are made in paragraph 8 or 9



PARAGON

MECHANICAL INC.

CONTRACTORS LICENSE NO. 490427

P.O. BOX 69, SANTA CLARA, CA 95052 (408) 727-7808 FAX: (408) 698-8190

EXHIBIT A *Part 7*

STANDARD TERMS AND CONDITIONS

NATIVIDAD HOSPITAL

JANUARY 2008

HVAC SERVICE Standard.... Package Units / Basic Service Calls

Straight time labor

Monday - Friday 8:00 AM - 4:30 PM.....\$125.00 per hour*

Overtime labor

Monday - Friday 4:30 PM - 8:00 AM, Saturday & Sunday, select

holidays.....\$187.50 per hour*

Doubletime labor

Select holidays.....\$250.00 per hour*

HVAC Chiller Services

Straight time labor

Monday - Friday 8:00 AM - 4:30 PM.....\$135.00 per hour*

Overtime labor

Monday - Friday 4:30 PM - 8:00 AM, Saturday & Sunday, select

holidays.....\$202.50 per hour*

Doubletime labor

Select holidays.....\$270.00 per hour*

HVAC Variable Frequency Drive Services

Straight time labor

Monday - Friday 8:00 AM - 4:30 PM.....\$142.00 per hour*

Overtime labor

Monday - Friday 4:30 PM - 8:00 AM, Saturday & Sunday, select

holidays.....\$213.00 per hour*

Doubletime labor

Select holidays.....\$284.00 per hour*

*subject to union negotiations yearly in July.

Fuel Service Charges.....one per day per truck \$40.00*

Travel no extra charges labor billing is Portal to Portal.

Payment Terms "Net 30" upon invoicing *Per Sid Cabo after discussing w/ vendor.*

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
06/06/11

PRODUCER
FEDERATED MUTUAL INSURANCE COMPANY
Home Office: P.O. Box 828
Owatonna, MN 55080
Phone: 1-888-888-4949

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
PARAGON MECHANICAL INC
2460 DE LA CRUZ BLVD
SANTA CLARA CA 95050

910-164-0

COMPANIES AFFORDING COVERAGE
COMPANY A FEDERATED MUTUAL INSURANCE COMPANY OR FEDERATED SERVICE INSURANCE COMPANY
COMPANY B
COMPANY C
COMPANY D

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

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR OWNERS & OPERATORS'S PROD	9271826	05/31/11	05/31/12	GENERAL AGGREGATE \$ 2,000,000
	PRODUCTS - COMPOUND AGG \$ 2,000,000				
	PERSONAL & ADV INJURY \$ 1,000,000				
	EACH OCCURRENCE \$ 1,000,000				
	FIRE DAMAGE (Any one fire) \$ 100,000				
	MED EXP (Any one person) \$				
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	9271826	05/31/11	05/31/12	COMBINED SINGLE LIMIT \$ 1,000,000
	BODILY INJURY (Per person) \$				
	BODILY INJURY (Per accident) \$				
	PROPERTY DAMAGE \$				
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$
	OTHER THAN AUTO ONLY \$				
	EACH ACCIDENT \$				
A	EXCESS LIABILITY <input checked="" type="checkbox"/> UMBRELLA FORM OTHER THAN UMBRELLA FORM	9271827	05/31/11	05/31/12	EACH OCCURRENCE \$ 9,000,000
	AGGREGATE \$ 9,000,000				
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input checked="" type="checkbox"/> EXCL OTHER				INC STATUTORY LIMITS OTH OR \$
	EL EACH ACCIDENT \$				
	EL DISEASE - POLICY LIMIT \$				
	EL DISEASE - AN EMPLOYEE \$				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS
SEE ATTACHED PAGE

ENDORSEMENT
COUNTY OF MONTEREY
NATIVIDAD MEDICAL CENTER
BLDG 900
1441 CONSTITUTION BLVD
SALINAS CA 93906

CANCELLATION
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES OR COVENANTS EXPIRE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL IMMEDIATELY MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT.
AUTHORIZED REPRESENTATIVE
[Signature]

CERTIFICATE OF INSURANCE

INSURED

910-154-0

PARAGON MECHANICAL INC
2460 DE LA CRUZ BLVD
SANTA CLARA CA 95050

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

CERTIFICATEHOLDER IS AN ADDITIONAL INSURED SUBJECT TO THE
CONDITIONS OF THE ADDITIONAL INSURED BY CONTRACT ENDORSEMENT
BUSINESS AUTO LIABILITY.

COUNTY OF MONTEREY, ITS OFFICERS, AGENTS & EMPLOYEES ARE AN
ADDITIONAL INSURED FOR GENERAL LIABILITY.

INSURANCE PROVIDED BY THE GENERAL LIABILITY AND BUSINESS
AUTO LIABILITY IS PRIMARY AND NONCONTRIBUTORY OVER OTHER
INSURANCE FOR THE COUNTY OF MONTEREY, ITS OFFICERS, AGENTS
& EMPLOYEES.

JOB #VINCE @ NATIVIDAD MEDICAL CENTER SALINAS, CA
HVAC SERVICE AND REPAIR.

CERTIFICATE HOLDER

COUNTY OF MONTEREY
NATIVIDAD MEDICAL CENTER
BLDG 900
1441 CONSTITUTION BLVD
SALINAS CA 93908

775

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - OWNERS, LESSEES OR
CONTRACTORS (FORM B)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

COUNTY OF MONTEREY ITS OFFICERS AGENTS & EMPL
NATIVIDAD MEDICAL CTR
1441 CONSTITUTION BLVD BLDG 900
SALINAS CA 93906

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

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you.

Job or Project:

REGARDING JOB #VINCE @ NATIVIDAD MEDICAL CENTER SALINAS CA. HVAC
SERVICE AND REPAIR. SEE IL-P-10.2-15 FOR ADDITIONAL WORDING

Insured:

PARAGON MECHANICAL INC
2400 DE LA CRUZ BLVD
SANTA CLARA CA 95050

Copyright, Insurance Services Office, Inc., 1992

CG-F-64 (05-97)
(CG 20 10 11-85)

Policy Number: 9271826

Transaction Effective Date: 05-18-2011

Federated Internal Copy - fonts and format may vary from original

GL

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
PRIMARY AND NON-CONTRIBUTORY CLAUSE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is agreed that insurance provided by any additional insured endorsement is primary coverage. We will not seek contribution from any other insurer when insurance on a non-contributing basis is required by contract.

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

CG-F-85 (08-03)

Policy Number: 9271828

Transaction Effective Date: 05-19-2011

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CA

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NON-CONTRIBUTORY CLAUSE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE PART

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

It is agreed that the insurance provided by any additional insured endorsement is primary when primary coverage is required in a written contract. We will not seek contribution from any insurer when insurance on a non-contributing basis is required in a written contract. For coverage to apply, the written contract must have been executed prior to the occurrence of "loss".

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

CA-F-129 (03-03)

Policy Number:9271826

Transaction Effective Date:03-25-2011

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
06/29/11

PRODUCER **CLAYTON INSURANCE AGENCY**
4460 TECHNOLOGY DRIVE
FREMONT, CA 94538
LICENSE #0749752

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

- COMPANY **A** TRUCK INSURANCE EXCHANGE
- COMPANY **B**
- COMPANY **C**
- COMPANY **D**

INSURED **PARAGON MECHANICAL INC.**
2460 DE LA CRUZ BLVD
SANTA CLARA, CA 95050

COVERAGES

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

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ PERSONAL & ADV INJURY \$ EACH OCCURRENCE \$ FIRE DAMAGE (Any one fire) \$ MED EXP (Any one person) \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EACH ACCIDENT \$ AGGREGATE \$
	EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input checked="" type="checkbox"/> EXCL	A0932 57 98	07/01/11	07/01/12	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER EL EACH ACCIDENT \$ 1000000 EL DISEASE - POLICY LIMIT \$ 1000000 EL DISEASE - EA EMPLOYEE \$ 1000000
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

JOB: NATIVIDAD MEDICAL CENTER 1441 CONSTITUTION BLVD SALINAS, CA
PARAGON JOB #VINCE

CERTIFICATE HOLDER

COUNTY OF MONTEREY
CONTRACTS/PURCHASING
168 WEST ALISAL STREET, 3rd
SALINAS, CA 85801

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE **DAVE CLAYTON**