

Meeting Date: 12/8/2015

Report Type: Consent

Report ID: 2015-01017

Title: Change Order: Elite Power Inc. for Electrical Maintenance Services (Two-Thirds Vote Required)

Location: Citywide

Recommendation: Pass a Resolution 1) suspending competitive bidding in the best interests of the City; and 2) approving a change order to Agreement No. 2015-1316 with Elite Power, Inc. to perform installations of additional water meter AMI hardware in the amount of \$200,000, for a total not-to-exceed amount of \$296,000.

Contact: Dan Sherry, Engineering & Water Resources Manager, (916) 808-1419; Dave Hansen, (916) 808-1421, Department of Utilities

Presenter: None

Department: Department Of Utilities

Division: Electrical & Instrumentation

Dept ID: 14001361

Attachments:

1-Description/Analysis

2-Resolution

3-Agreement 2015-1316

4-Change Order #1

City Attorney Review

Approved as to Form
Joe Robinson
12/1/2015 12:02:09 PM

Approvals/Acknowledgements

Department Director or Designee: Bill Busath - 11/19/2015 5:39:17 PM

Description/Analysis

Issue Detail: In 2013, the City Council approved amendments to existing agreements with Ferguson Waterworks and new agreements with Badger Meter for an Automated Metering Infrastructure (AMI) fixed network system to facilitate the reading of water meters (Council report 2013-0806). As a part of the AMI project, Department of Utilities (DOU) staff has been installing the Badger Gateways that communicate with the individual water meters to collect the readings. On February 24, 2015, the City Council approved the Accelerated Water Meter Program that moved up the completion of the meter implementation to December 31, 2020. With the meters being installed at an accelerated rate, installation of the Gateway infrastructure needed to read these meters needs to be accelerated as well.

To accelerate the Gateway installations, in August 2015, DOU issued a contract to an electrical contractor on the Procurement Services division's on-call contractor list, Elite Power Inc. (Agreement No. 2015-1316). This agreement has accelerated the installations and significantly increased the amount of Gateways deployed each month. DOU recommends extending Elite Power's scope of work to complete the remaining gateway installations over the remaining City areas. City staff recommends that the City Council: (1) Suspend competitive bidding to allow this additional work to be added to the current contract with Elite Power, and (2) approve a change order authorizing this additional work for an amount of \$ 200,000, increasing the total contract amount to \$296,000.

Policy Considerations: The ongoing AMI project promotes the City's strategic goal to improve overall operational efficiency, and is a critical component of the City's water conservation efforts. Because payment for the additional work would exceed the maximum contracting amount specified on the Procurement Services division's on-call contractor list, it is necessary for the City Council to suspend competitive bidding to add this work to the current contract with Elite Power without conducting a new bid process. The City Code allows the City Council to suspend competitive bidding if the Council determines, by a 2/3 vote, that doing so is in the City's best interest. City staff believes that this is in the City's best interest because Elite Power had the lowest hourly rate of the on-call contractors, has developed technical experience in installing City Gateways through its current contract, and has proven to work well with City staff. Adding the additional installation work to Elite Power's contract will expedite the installation of Gateways, which will reduce the time it takes to have installed meter data (hourly readings) available in the Billing system.

Economic Impacts: This work is expected to create 0.8 total jobs (0.46 direct jobs and 0.34 jobs through indirect and induced activities) and create \$123,487 in total economic output (\$77,834.8 of direct output and another \$45,652.2 of output through indirect and induced activities).

The indicated economic impacts are estimates calculated using a calculation tool developed by the Center for Strategic Economic Research (CSER). CSER utilized the IMPLAN input-output model (2009 coefficients) to quantify the economic impacts of a hypothetical \$1 million of spending in various construction categories within the City of Sacramento in an average one-year period. Actual impacts could differ significantly from the estimates and neither the City of Sacramento nor CSER shall be held responsible for consequences resulting from such differences.

Environmental Considerations: The Community Development Department, Environmental Services Manager has determined that the AMI installation is exempt from the CEQA under Section Number 15061(b)(3) of the CEQA Guidelines. These actions are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a

significant effect on the environment, the activity is not subject to CEQA. In this case, it can be seen with certainty that installing AMI hardware will not have any significant effect on the environment. This activity also is exempt from CEQA as the minor alteration of existing utility facilities with no expansion of use (CEQA Guidelines Sections 15301).

Sustainability: The installation of the AMI equipment allows the City to collect water meter reads accurately and charge customers based on water consumption, thereby providing an incentive for City customers to use water more efficiently and promoting water conservation. In addition, the AMI technology provides a better means of monitoring water usage and reducing leakage, both for the City and its customers.

Commission/Committee Action: Not applicable

Rationale for Recommendation: With the acceleration of water meter installations in the City, installation of the Automated Metering Infrastructure which captures the meter reads needs to be accelerated as well. With the AMI system in place prior to the installation of the meter, hourly meter data can be gathered and comparative billing can begin sooner.

Financial Considerations: The current agreement with Elite Power (Agreement #2015-1316) was for \$96,000. Change order #1 authorizing this additional work is for an amount of \$ 200,000, increasing the total contract amount to \$296,000. The Department of Utilities has sufficient funding in the AMI-Meter Reading project, Project No. Z14010053 (Water Fund, Fund 6005) for the continued installation of AMI equipment.

Local Business Enterprise (LBE): Elite Power Inc. is an LBE.

RESOLUTION NO. 2015-

Adopted by the Sacramento City Council

SUSPENDING COMPETITIVE BIDDING AND APPROVING CHANGE ORDER TO ON-CALL CONTRACT WITH ELITE POWER, INC. FOR ADDITIONAL AUTOMATED METERING INFRASTRUCTURE GATEWAY INSTALLATIONS

BACKGROUND

- A. The Department of Utilities recommends accelerating the installation of Automated Metering Infrastructure (AMI) Gateways to facilitate the fixed network reading of water meters. The installation of the AMI equipment allows the City to collect water meter reads accurately, more frequently, and charge customers based on water consumption, thereby providing an incentive for City customers to use water more efficiently and promoting water conservation. In addition, the AMI technology provides a better means of monitoring water usage and reducing leakage, both for the City and its customers.
- B. In August 2015, DOU issued a contract (Agreement No. 2015-1316) to perform Gateway installation work to an electrical contractor on the Procurement Services division's on-call contractor list, Elite Power Inc.. This agreement has accelerated the installations and significantly increased the amount of Gateways deployed each month. DOU proposes to continue using Elite Power to complete these installations over the remaining City areas to stay ahead of the meters being installed through the accelerated water meter program. Because the amount of the proposed additional Gateway installations exceeds the contracting amount specified on the Procurement Services division's on-call contractor list, this additional work normally would be competitively bid.
- C. City Code Section 3.60.170(D) allows the City Council to suspend competitive bidding upon a two-thirds vote, if the City Council determines that it is in the best interests of the City to do so. It is in the City's best interests to suspend competitive bidding so that the proposed Gateway installations can be added to an existing contract instead of being competitively bid, because: (1) adding these Gateway installations to an existing contract will best expedite the installation of Gateways, to reduce the amount of time needed to connect newly installed and retrofitted water meters to the fixed network AMI system, and to the City's billing system, which provides an incentive for City customers to use water more efficiently and promotes water conservation; and (2) Elite Power has the lowest hourly rate of the Procurement Services division's on-call contractors and has developed technical experience in installing City Gateways through its current contract.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. Competitive bidding is suspended, in the best interests of the City, for the accelerated installation of AMI Gateways throughout the City.

- Section 2. The City Manager or the City Manager's designee is authorized to sign Change Order 1 to Agreement No. C2015-1316 with Elite Power, to install additional Gateways for an amount not-to-exceed \$200,000, bringing the total contract amount to \$296,000.

Tax ID # if applicable:

Requires Council Approval: No YES Meeting:

Real Estate Other Party Signature Needed Recording Requested

General Information

Type: Other PO Type: Informal Bid-Maintenance	Attachment: Original No.:
\$ Not to Exceed: \$ 96,000.00	Original Doc Number:
Other Party: Elite Power Inc.	Certified Copies of Document: <input type="checkbox"/>
Project Name: On-Call (Low Voltage) Electrical	Deed: <input type="checkbox"/> None <input type="checkbox"/> Included <input type="checkbox"/> Separate
Project Number: Operating Budget Bid Transaction #: N/A	LBE:

Department Information

Department: Utilities Division: Engineering & Water Resources
 Project Manager: Charley Cunningham Supervisor: Dave Hansen
 PM Phone Number: 808-5518 Date: 8/3/2015 Division Manager: Dan Sherry
 Contract Services: Renee Graves x1465 Org Number: 14001321 Mail Code: 13400
 Comment: tax forms due ^{Conf} 8/7/15

Review and Signature Routing

Department	Signature or Initial	Date
Project Manager:	<i>[Signature]</i>	8/2/15
Supervisor:	<i>[Signature]</i>	8/3/15
Division Manager:	<i>[Signature]</i>	8/4/15

City Attorney	Signature or Initial	Date
City Attorney:	<i>[Signature]</i>	8-5-15

Send Interoffice Mail Notify for **Pick Up**

Authorization	Signature or Initial	Date
William O. Busath Department Director:	<i>[Signature]</i>	8/13/15
City Mgr: yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		

Contract Cover/Routing Form: Must Accompany ALL Contracts; however, is not part of the contract. (01-01-09)

See email re Council approval corrected 8-6-15

For City Clerk Processing

Finalized:
 Initial: *RDB*
 Date: *8-13-15*
 Imaged:
 Initial: *LR*
 Date: *8/13/15*

Title: On-Call (Low Voltage) Electrical
 Other Party: Elite Power Inc
2015-1316

Received:
 (City Clerk Stamp Here)
 2015 AUG 12 P 11:28
 CITY OF SACRAMENTO
 CLERK'S OFFICE

Insurance/Bond Confirmation Form

Project Manager: Charley Cunningham Project CIP#: 6011/14000/14001361

Project Name: On-Call (Low Voltage) Electrical Maintenance Agreement

Insurance Firm: Edgewood Partners Insurance Center, (EPIC)

Insurance Agent: Jennifer Helioles Phone Number: 707/794-7414

CGL DT22C0366K45 93TCT14 W.C. DTJUB366K459314 Insured? Yes No
 AU DT610366K45 93TIL14 State Firm

Bond Underwriting Firm: The Ohio Casualty Ins. Co. Bond Number: 070017442

Bond Firm By Contact Person: Jessica Nowlin Phone Number: 415/537-2513

Attorney in Fact: Jessica Nowlin Email: jessica.nowlin@epicbrokers.com

Date Bond Issued: July 21, 2015

Firm Bond Issued to: Elite Power

Amount of Bond: \$96,000.00 Bond Premium: \$1,382.00

Bond Valid?: Yes No

ATTACHMENTS:

- License Verification <http://www.insurance.ca.gov/license-status/>
- Surety Confirmation <https://interactive.web.insurance.ca.gov/companyprofile/companyprofile>

Submitted by: Amy Cooper Contract Services Date: 8/5/15

Reviewed by: _____ Supervising Engineer Date: _____

Acknowledged by: _____ Engineering Manager Date: _____

Amy Cooper

From: Jessica Nowlin <jessica.nowlin@epicbrokers.com>
Sent: Wednesday, August 05, 2015 3:50 PM
To: Amy Cooper
Subject: RE: Performance & Payment Bond #070017442-Verification Q201313001521 On-Call (Low Voltage) Electrical

Hi Amy,

Please see below.

Thanks,

Jessica Nowlin

senior account manager - surety



135 main street, 21st floor, san francisco, ca 94105

jessica.nowlin@epicbrokers.com

415.356.4841 direct ▪ 415.747.1203 cell

epicbrokers.com ▪ ca license 0B29370

edgewood partners insurance center

From: Amy Cooper [mailto:ACooper@cityofsacramento.org]
Sent: Wednesday, August 05, 2015 1:43 PM
To: Jessica Nowlin
Cc: Renee Graves; Charley Cunningham; Amy Cooper
Subject: RE: Performance & Payment Bond #070017442-Verification Q201313001521 On-Call (Low Voltage) Electrical

Re-sent for correct e-mail.

From: Amy Cooper
Sent: Wednesday, August 05, 2015 11:32 AM
To: 'jessica.nowlin@epicbrokers.com'
Cc: Renee Graves; Amy Cooper; Charley Cunningham
Subject: Performance & Payment Bond #070017442-Verification Q201313001521 On-Call (Low Voltage) Electrical

Hi Jessica,

Please confirm the issuance of performance and payment bond for the above referenced project by completing the following:

Principal: **Elite Power**
Date of issuance: 7/21/15
Amount of Bonds: \$96,000
Bond Premium: \$1,382 annually
Authorized Attorney in Fact: Jessica L. Nowlin
Surety: The Ohio Casualty Insurance Company
Surety Underwriter: Stacy Ross

Underwriter Email/Phone stacy.ross@libertymutual.com or 415-537-2513
Obligee: City of Sacramento – Department of Utilities

Thank you in advance for your assistance and prompt response.

Amy Cooper
Engineering & Water Resources
Contract Services
(916) 808-8900

The information contained in this e-mail message may be privileged and confidential information and is intended only for the use of the individual and/or entity identified in the alias address of this message. If the reader of this message is not the intended recipient, or an employee or agent responsible to deliver it to the intended recipient, you are hereby requested not to distribute or copy this communication. If you have received this communication in error, please notify us immediately by telephone or return e-mail and delete the original message from your system.

Agency License Details

The license status information shown below represents information taken from the California Department of Insurance (CDI) licensing database at the time of your inquiry. This information may not always be current. For example, items sent to the CDI may be pending review or simply may not have yet been entered into our licensing database. For instance, continuing education hours quoted may not reflect courses taken in the last 45 days. This database will reflect concluded disciplinary actions against licensees. Complaints and ongoing investigations are confidential and, therefore, not available.

Section 12938 (a) of the California Insurance Code, in part, requires the CDI to make all fully executed stipulations, orders, decisions, and settlements available to the public on its Web site. You can search for key documents regarding any enforcement action the department has filed against this licensee on the [Enforcement Action Documents Search Page](#). Please note [Enforcement Action Documents](#) (i.e. legal pleadings and orders generated during the enforcement action) are available on this Web site only for enforcement actions taken on or after July 1, 2001. If an enforcement action was taken prior to July 1, 2001, this Web site will only provide a summary description of the enforcement action. Documents relating to actions taken prior to July 1, 2001 may be obtained by submitting a written request to the CDI.

Glossary of Terms

Name: EDGEWOOD PARTNERS INSURANCE CENTER License#: 0B29370

FMR: CALCO INSURANCE BROKERS & AGENTS, INCORPORATED

License type: Accident and Health Status: Active Status Date: 09/08/1994 Exp Date: 09/30/2016

License type: Casualty Broker-Agent Status: Active Status Date: 09/08/1994 Exp Date: 09/30/2016

License type: Life-Only Status: Active Status Date: 09/08/1994 Exp Date: 09/30/2016

License type: Property Broker-Agent Status: Active Status Date: 09/08/1994 Exp Date: 09/30/2016

License type: Registered Administrator Status: Active Status Date: 01/13/1995 Exp Date: 09/30/2016

License type: Reinsurance Intermed Broker Status: Active Status Date: 12/26/2014 Exp Date:

License type: Surplus Lines Broker Status: Active Status Date: 12/07/2007 Exp Date: 09/30/2016

Business Address: 135 MAIN STREET, 21ST FLOOR SAN FRANCISCO, CA 94105

Number of 2014 Justified Complaints with the Department : 2

Bond Information

Bond Amount: \$10,000 Bond #: FX - 30487130

Surety Co: 39306 - FIDELITY AND DEPOSIT COMPANY OF MARYLAND

Bond Information

Bond Amount: \$10,000 Bond #: FX-105888128

Surety Co: 31194 - TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

Bond Information

Bond Amount: \$50,000 Bond #: SL - 105014023

Surety Co: 31194 - TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

Company Appointments

This licensee is authorized to transact on behalf of the following insurers:

4 EVER LIFE INSURANCE COMPANY	For: Accident and Health	Effective: 02/18/2015
4 EVER LIFE INSURANCE COMPANY	For: Life-Only	Effective: 02/18/2015
ACE AMERICAN INSURANCE COMPANY	For: Accident and Health	Effective: 08/08/2008
ACE AMERICAN INSURANCE COMPANY	For: Casualty Broker-Agent	Effective: 07/17/2009
ACE AMERICAN INSURANCE COMPANY	For: Property Broker-Agent	Effective: 07/17/2009
ACE FIRE UNDERWRITERS INSURANCE COMPANY	For: Casualty Broker-Agent	Effective: 12/04/2014
ACE FIRE UNDERWRITERS INSURANCE COMPANY	For: Property Broker-Agent	Effective: 12/04/2014
ACE PROPERTY AND CASUALTY INSURANCE COMPANY	For: Casualty Broker-Agent	Effective: 12/04/2014
ACE PROPERTY AND CASUALTY INSURANCE COMPANY	For: Property Broker-Agent	Effective: 12/04/2014
AETNA LIFE INSURANCE COMPANY	For: Accident and Health	Effective: 02/25/1997
AETNA LIFE INSURANCE COMPANY	For: Life-Only	Effective: 02/25/1997
AGCS MARINE INSURANCE COMPANY	For: Casualty Broker-Agent	Effective: 04/14/2015
AGCS MARINE INSURANCE COMPANY	For: Property Broker-Agent	Effective: 04/14/2015
AIG PROPERTY CASUALTY COMPANY	For: Casualty Broker-Agent	Effective: 03/26/2009
AIG PROPERTY CASUALTY COMPANY	For: Property Broker-Agent	Effective: 03/26/2009



- Company Profile
- Company Search
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- Company Information
- Old Company Names
- Agent for Service
- Reference Information
- NAIC Group List
- Lines of Business
- Workers' Compensation
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- Financial Statements PDF's
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- Quarterly Statements
- Company Complaint
- Company Performance & Comparison Data
- Company Enforcement Action
- Composite Complaints Studies
- Additional Info
- Find A Company Representative In Your Area
- View Financial Disclaimer

COMPANY PROFILE

Company Information

OHIO CASUALTY INSURANCE COMPANY (THE)
175 BERKELEY STREET
BOSTON, MA 02116

Old Company Names

Effective Date

Agent For Service

KARISSA LOWRY
 C/O CORPORATION SERVICE COMPANY
 2710 GATEWAY OAKS DRIVE, SUITE 150N
 SACRAMENTO CA 95833

Reference Information

NAIC #:	24074
California Company ID #:	5133-4
Date Authorized in California:	11/17/2008
License Status:	UNLIMITED-NORMAL
Company Type:	Property & Casualty
State of Domicile:	NEW HAMPSHIRE

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NAIC Group List

NAIC Group #: 0111 LIBERTY MUT GRP

Lines Of Business

The company is authorized to transact business within these lines of insurance. For an explanation of any of these terms, please refer to the glossary.

- AUTOMOBILE
- BOILER AND MACHINERY
- BURGLARY
- COMMON CARRIER LIABILITY
- CREDIT
- FIRE
- LIABILITY
- MARINE
- MISCELLANEOUS
- PLATE GLASS
- SPRINKLER
- SURETY
- WORKERS' COMPENSATION

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AGREEMENT

(Maintenance Contract Over \$25,000)

THIS AGREEMENT, dated for identification July 1, 2015, is made and entered into between the CITY OF SACRAMENTO, a municipal corporation ("City"), and ELITE POWER, 6530 ASHER LANE, Sacramento, CA 95828 ("Contractor").

The City and Contractor mutually agree as follows:

1. CONTRACT DOCUMENTS

The Contract Documents, sometimes also referred to as the "Contract," consist of the following items, which are hereby incorporated by reference as if set forth in full in this Agreement:

- The Notice to Contractors
- The Proposal Form submitted by the Contractor
- The Instructions to Bidders
- The Local Business Enterprise (LBE) Requirements
- The Requirements for the Non-Discrimination in Employee Benefits by City Contractors Ordinance and the Declaration of Compliance
- The City's Reference Guide for Construction Contracts
- The Addenda, if any
- This Agreement
- The Standard Specifications
- The Special Provisions
- The Plans and Technical Specifications
- The drawings and other data and all developments thereof prepared by City pursuant to the Contract

Any modifications of any of the foregoing made or approved by City, including but not limited to duly authorized change orders.

Unless specifically noted otherwise, references to the "Standard Specifications" shall mean and refer to the Standard Specifications for Public Construction of the City of Sacramento approved by the Sacramento City Council on June 4, 2007 (Resolution No. 2007-350), and any subsequent amendments thereto approved by the Sacramento City Council or the Sacramento City Manager. Work called for in any one Contract Document and not mentioned in another is to be performed and executed as if mentioned in all Contract Documents. The table of contents, titles and headings contained in the Contract Documents are provided solely to facilitate reference to various provisions of the Contract Documents and in no way affect or limit the interpretation of the provisions to which they refer.

2. DEFINITIONS

Unless otherwise specifically provided herein, all words and phrases defined in the Standard Specifications shall have the same meaning and intent in this Agreement.

3. AGREEMENT CONTROLS

In the event of a conflict between any of the terms and conditions set forth in this Agreement and the terms and conditions set forth in other Contract Documents, the terms and conditions set forth in this Agreement shall prevail, except that the provisions of any duly authorized change order shall prevail over any conflicting provisions of this Agreement.

4. SCOPE AND TERM OF CONTRACT

- A. Contractor agrees to furnish all tools, equipment, apparatus, facilities, labor, material and transportation necessary to perform and complete in a good and workmanlike manner to the satisfaction of City, all the Work called for in the Contract Documents entitled:

ON-CALL (LOW VOLTAGE) ELECTRICAL

Contractor agrees to perform such Work in the manner designated in and in strict conformity with the Contract Documents.

- B. A general scope of work is contained in the Technical Specifications and may be further defined in a job/task order. Work shall be assigned to Contractor by City on an individual job or task basis, by City's issuance of a job/task order that specifies the scope of work for that job or task. All such job/task orders will constitute part of this Contract, and the Contractor shall perform, comply with and be subject to all provisions of this Contract with regard to any work performed pursuant to any such job/task orders. The job/task orders may involve varying levels of effort during the term of the Contract. The need for services may not be continuous during the term. It is understood and agreed by Contractor that no services at all may be required by City under this Contract. The City will contact Contractor regarding a specific job/task. Contractor shall not commence work prior to receiving a notice to proceed from the City.

CONTRACT SPECIFICATIONS ARE ATTACHED AS EXHIBIT 1.

- C. The term of this Contract is one year from the date of Contract approval by City.

5. CONTRACT AMOUNT AND PAYMENTS

- A. Pursuant to Sacramento City Code Section 3.60.180, the Contractor is required and agrees to pay the State of California, Department of Industrial Relations prevailing wage rates for covered trades employed. The prevailing wage rates may be found at <http://www.dir.ca.gov/dlsr/pwd/>. For job/task orders of \$30,000 or greater, the Contractor agrees to utilize apprentices, as required by the State of California Labor Code. Contractor and every lower-tier subcontractor shall submit certified payrolls and labor compliance documentation electronically when and as required by City. Contractor is responsible for compliance with Sacramento City Code section 3.60.180, and shall include these requirements in every subcontract or subcontract. This Agreement is subject to compliance monitoring and enforcement by the California Department of Industrial Relations, as specified in California Labor Code section 1771.4.
- B. Payment for each job or task shall be authorized by job/task order as provided in Section 4, above, and City shall have no responsibility or liability for any payment not authorized by a City-issued job/task order. All payments shall be made in accordance with the schedule and procedures set forth in the Contract Documents and subject to deductions, withholdings and additions as specified in the Contract Documents.

LABOR RATES ATTACHED AS EXHIBIT 2.

- C. Unit prices and hourly rates shall not exceed the amount(s) set forth in Contractor's Proposal Form, provided that for each year the Contract term is extended, to account for inflation, the unit prices and hourly rates set forth in Contractor's Proposal Form shall be increased by an amount equal to three (3) percent or the percentage increase for the previous 12 month period in the Consumer Price Index (CPI), San Francisco area, whichever is less.
- D. Subject to deductions, withholdings and additions as specified in the Contract Documents, Contractor shall be paid the sum computed at such unit prices or hourly rates, or computed at a different price if such different price is determined by City in accordance with the Standard Specifications, based on the actual hours worked or actual amount of each such unit price item performed and/ or furnished and incorporated in the Work.
- E. **Maximum Payment:** The total amount paid for all Work authorized by job/task orders during the term of the Contract shall not exceed \$96,000.

6. PROGRESS PAYMENTS

Subject to the terms and conditions of the Contract, City shall cause payments to be made upon demand of Contractor as follows:

- A. On or about the first of the month, the Engineer shall present to the Contractor a statement (in the format required by City) showing the amount of labor and materials

incorporated in the Work through the twentieth (20) calendar day of the preceding month. After both Contractor and Engineer approve the statement in writing, and the City's labor compliance officer provides written approval, the City shall issue a certificate for ninety-five (95) percent of the amount it shall find to be due, subject to any deductions or withholdings authorized or required under the Contract or any applicable Laws or Regulations.

- B. No inaccuracy or error in said monthly estimates shall operate to release Contractor from damages arising from such Work or from enforcement of each and every provision of the Contract Documents, and City shall have the right subsequently to correct any error made in any estimate for payment.
- C. Contractor shall not be paid for any defective or improper Work.
- D. The remaining five (5) percent of the value of the Work performed under the Contract, if unencumbered and subject to any deductions or withholdings authorized or required under the Contract or any applicable Laws or Regulations, shall be released not later than sixty (60) days after completion and final acceptance by City of the Work specified in the job/task order. Acceptance by Contractor of the final payment for a job/task order shall constitute a waiver of all claims against the City arising under the Contract Documents, except for disputed claims in stated amounts that the Contractor specifically reserves in writing, but only to the extent that the Contractor has complied with all procedures and requirements applicable to the presentation and processing of such claim(s) under the Contract Documents. Contractor shall be entitled to substitute securities for retention or to direct that payments of retention be made into escrow, as provided in Public Contract Code Section 22300, upon execution of the City's Escrow Agreement for Security Deposits in Lieu of Retention.
- E. The parties agree that, for purposes of the timely progress payment requirements specified in Public Contract Code Section 20104.50, the date that the City receives a statement jointly approved as provided above shall be deemed to constitute the date that City receives an undisputed and properly submitted payment request from the Contractor. Progress payments not made within 30 days after this date may be subject to payment of interest as provided in Public Contract Code Section 20104.50.

- F. Statements may be personally delivered or mailed to:

City of Sacramento, Department of Department of Utilities
1391 35th Ave.
Sacramento, CA 95822

ATTN: Charley Cunningham

7. RETENTION OF SUMS CHARGED AGAINST CONTRACTOR

When, under the provisions of this Contract or any applicable Laws or Regulations, City is authorized or required to withhold, deduct or charge any sum of money against Contractor, City may deduct and retain the amount of such charge from the amount of the next succeeding progress estimate(s), or from any other moneys due or that may become due Contractor from City. If, on completion or termination of the Contract, sums due Contractor are insufficient to pay City's charges, City shall have the right to recover the balance from Contractor or its Sureties.

8. COMMENCEMENT AND PROSECUTION OF WORK

Contractor shall commence the Work for a job or task as directed in the City-issued job/task order and shall diligently prosecute the Work to final completion. The continuous prosecution of Work by Contractor shall be subject only to Excusable Delays as defined in this Agreement.

9. TIME OF COMPLETION

If so specified in a City-issued job/task order, the Work required by the job/task order shall be brought to completion in the manner provided for in the Contract Documents on or before the date specified in the job/task order (hereinafter called the "Completion Date") unless extensions of time are granted in accordance with the Contract Documents.

Failure to complete such Work by the Completion Date and in the manner provided for in the Contract Documents shall subject Contractor to liquidated damages as provided in this Agreement. Time is and shall be of the essence in the performance of the Contract and the Work.

10. PAYMENTS DO NOT IMPLY ACCEPTANCE OF WORK

The payment of any progress payment, or the acceptance thereof by Contractor, shall not constitute acceptance of the Work or any portion thereof and shall in no way reduce the liability of Contractor to replace unsatisfactory work or material, whether or not the unsatisfactory character of such work or material was apparent or detected at the time such payment was made.

11. ACCEPTANCE NOT RELEASE

Contractor shall correct immediately any defective or imperfect work or materials that may be discovered before final acceptance any Work, whether or not such defect or imperfection was previously noticed or identified by the City. The inspection of the Work, or any part thereof, shall not relieve Contractor of any of its obligations to perform satisfactory work as herein specified.

Failure or neglect on the part of City or any of its officers, employees or authorized agents to discover, identify, condemn or reject defective or imperfect work or materials shall not be construed to imply an acceptance of such work or materials, nor shall such failure or neglect be construed as barring City from enforcing Contractor's warranty(ies) or otherwise recovering damages or such a sum of money as may be required to repair or rebuild the defective or imperfect work or materials whenever City may discover the same, subject only to any statutes of limitation that may apply to any such claim.

12. CITY'S RIGHT TO TAKE POSSESSION OF THE WORK IN WHOLE OR IN PART

The City shall have the right at any time to enter upon the Work and perform work not covered by this Contract, or to occupy and use a portion of the Work, prior to the date of acceptance of the Work, without in any way relieving Contractor of any obligations under this Contract.

13. NO WAIVER OF REMEDIES

Neither the inspection by City, its officers, employees or agents, nor any certificate or other approval for the payment of money, nor any payment for, nor acceptance of the whole or any part of the Work by City, nor any extensions of time, nor any position taken by City, its officers, employees or its agents shall operate as a waiver of any provision of the Contract Documents nor of any power herein reserved to City or any right to damages herein provided, nor shall any waiver of any breach of this Agreement be held to be a waiver of any other or subsequent breach. All remedies provided in the Contract Documents shall be taken and construed as cumulative; in addition to each and every other remedy herein provided, the City shall have any and all equitable and legal remedies that it would in any case have.

14. WARRANTY

Except as otherwise expressly provided in the Contract Documents, and excepting only items of routine maintenance, ordinary wear and tear and unusual abuse or neglect by City, Contractor warrants and guarantees all Work executed and all supplies, materials and devices of whatsoever nature incorporated in or attached to the Work, or otherwise provided as a part of the Work pursuant to the Contract, to be absolutely free of all defects of workmanship and materials for a period of one year after City acceptance of the Work performed for the applicable job/task order. Contractor shall repair or replace all work or material, together with any other work or material that may be displaced or damaged in so doing, that may prove defective in workmanship or material within this one year warranty period without expense or charge of any nature whatsoever to City.

In the event that Contractor shall fail to comply with the conditions of the foregoing warranty within ten (10) days after being notified of the defect in writing, City shall have the right, but shall not be obligated, to repair, or obtain the repair of, the defect and Contractor shall pay to City on demand all costs and expense of such repair. Notwithstanding anything herein to the contrary, in the event that any defect in workmanship or material covered by the foregoing warranty results in a condition that constitutes an immediate hazard to public health or safety,

or any property interest, or any person, City shall have the right to immediately repair, or cause to be repaired, such defect, and Contractor shall pay to City on demand all costs and expense of such repair. The foregoing statement relating to hazards to health, safety or property shall be deemed to include both temporary and permanent repairs that may be required as determined in the sole discretion and judgment of City.

In addition to the above, the Contractor shall make a written assignment of all manufacturer's and other product warranties to the City, prior to City acceptance of the Work performed for the applicable job/task order.

The Contractor's Performance Bond shall secure the performance of the Contractor's obligations under this Section 14, and the Contractor and its Surety shall be jointly and severally liable for these obligations.

15. LIQUIDATED DAMAGES IF WORK NOT COMPLETED ON TIME

- A. The actual fact of the occurrence of damages and the actual amount of the damages that City would suffer if the Work specified in a job/task order were not completed by the Completion Date specified therein are dependent upon many circumstances and conditions that could prevail in various combinations, and for this reason, it is impracticable and extremely difficult to fix the actual damages. Damages that City would suffer in the event of such delay include: loss of the use of the project; expenses of prolonged assignment to the project of an architectural and/or engineering staff; prolonged costs of administration, inspection, and supervision; increased operational expenses and/or impaired operation of other facilities dependent upon completion of the project; and the loss and inconvenience suffered by the public within the City of Sacramento by reason of the delay in the completion of the project or portion thereof. Accordingly, the parties agree, and by execution of this Agreement, Contractor acknowledges that it understands and agrees, that the amount(s) set forth herein as liquidated damages reflect the parties' best efforts at the time of entering into the Contract to estimate the damages that may be incurred by City and the public due to the Contractor's delay in completion of the Work specified in a job/task order by the Completion Date specified therein, and shall be presumed to be the amount of damages sustained by the failure of Contractor to complete such Work within such time.

- B. If a job/task order specifies a Completion Date for the Work required by the job/task order, Contractor shall pay liquidated damages to City for failure to complete such Work by the Completion Date (as extended in accordance with the Contract Documents, if applicable) in the amount of \$410.00 for each calendar day after the Completion Date (as extended in accordance with the Contract Documents, if applicable), continuing to the time at which such Work is completed. Such amount is the actual cash value agreed upon by the City and Contractor as the loss to City and the public resulting from Contractor's default.

- C. In the event Contractor shall become liable for liquidated damages, City, in addition to all other remedies provided by law, shall have the right to withhold any and all payments that otherwise would be or become due Contractor until the liability of Contractor under this section is finally determined. City shall have the right to use and apply such payments, in whole or in part, to reimburse City for all liquidated damages due or to become due to City. Any remaining balance of such payments shall be paid to Contractor only after discharge in full of all liability incurred by Contractor under this section or otherwise under any provision of the Contract Documents or any applicable Law or Regulation. If the sum so retained by City is not sufficient to discharge all such liabilities of Contractor, Contractor shall continue to remain liable to City until all such liabilities are satisfied in full. No failure by City to withhold any payment as specified above shall in any manner be construed to constitute a release of any such liabilities nor a waiver of the City's right to withhold payment for such liabilities.

16. INDEMNITY AND HOLD HARMLESS

- A. Contractor shall defend, hold harmless and indemnify the City, its officers, employees, and agents, and each and every one of them, from and against any and all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs and expenses of every type and description, whether arising on or off the site of the Work, including, but not limited to, any fees and/or costs reasonably incurred by City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including but not limited to Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform the Work by the Contractor, any subcontractor or agent, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder, or (ii) such Liabilities are litigated, settled or reduced to judgment; provided that the foregoing indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage or expense to the extent arising from (i) the sole negligence or willful misconduct of, or defects in design furnished by, City, its agents, servants, or independent contractors who are directly responsible to City, or (ii) the active negligence of City.
- B. The existence or acceptance by City of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of City's rights under this Section 16, nor shall the limits of such insurance limit the liability of Contractor hereunder. The provisions of this Section 16 shall survive any expiration or termination of the Contract.

17. CONTRACTOR SHALL ASSUME RISKS

Until the completion and final acceptance by City of all Work under this Contract, the Work shall be under Contractor's responsible care and charge, and Contractor, at no cost to City, shall rebuild, repair, restore and make good all injuries, damages, re-erections, and repairs occasioned or rendered necessary by accidental causes of any nature, to all or any portions of the Work.

18. GENERAL LIABILITY OF CONTRACTOR

Except as otherwise herein expressly stipulated, Contractor shall perform all the Work and furnish all the labor, materials, tools, equipment, apparatus, facilities, transportation, power and light, and appliances, necessary or proper for performing and completing the Work herein required in the manner and within the time herein specified. The mention of any specific duty or liability of Contractor shall not be construed as a limitation or restriction of any general liability or duty of Contractor, and any reference to any specific duty or liability shall be construed to be solely for the purpose of explanation.

19. INSURANCE

During the entire term of the Contract, Contractor shall maintain the insurance coverage described in this Section 19.

Full compensation for all premiums that Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Work performed by Contractor under this Contract. No additional compensation will be provided for Contractor's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the City.

It is understood and agreed by the Contractor that its liability to the City shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the Contractor in connection with this Contract.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of Contractor and its subcontractors, products and completed operations of Contractor and its subcontractors, and premises owned, leased, or used by Contractor and its subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations

coverage for the term of the policy.

- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage, and personal injury, with limits of not less than one million dollars (\$1,000,000) per accident. The policy shall provide coverage for owned, non-owned, and/or hired autos as appropriate to the operations of the Contractor.

No automobile liability insurance shall be required if Contractor completes the following certification:

"I certify that a motor vehicle will not be used in the performance of any work or services under this agreement." _____ (Contractor initials)

- (3) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the City.

No Workers' Compensation insurance shall be required if Contractor completes the following certification:

"I certify that my business has no employees, and that I do not employ anyone. I am exempt from the legal requirements to provide Workers' Compensation insurance." _____ (Contractor initials)

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The City, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Contractor and its subcontractors; products and completed operations of Contractor and its subcontractors; and premises owned, leased, or used by Contractor and its subcontractors.
- (2) Automobile Liability Insurance: The City, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Contractor's insurance coverage, including excess insurance, shall be primary insurance as respects City, its officials, employees, and volunteers. Any insurance or self-insurance maintained by City, its officials, employees, or

volunteers shall be in excess of Contractor's insurance and shall not contribute with it.

- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officials, employees, or volunteers.
- (3) Coverage shall state that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) City will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 3 must be declared to and approved by the City in writing prior to execution of this Contract.

E. Verification of Coverage

- (1) Contractor shall furnish City with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the City representative named in Exhibit A. Copies of policies shall be delivered to the City on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.
- (2) For all insurance policy renewals during the term of this Contract, Contractor shall send insurance certificates reflecting the policy renewals directly to:

City of Sacramento
c/o Ebix RCS
Reference #: (This number will be provided by EBIX after Contract approval.)
PO Box 257
Portland, MI 48875-0257

Insurance certificates also may be faxed to (770) 325-3340, or e-mailed to:
CertsOnly-Portland@ebix.com

- (3) The City may withdraw its offer of contract or cancel this Contract if the certificates of insurance and endorsements required have not been provided prior to execution of this Contract. The City may withhold payments to Contractor or cancel the Contract if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

F. Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

20. FAILURE TO MAINTAIN BONDS OR INSURANCE

If, at any time during the performance of this Contract, Contractor fails to maintain any item of the bonds and/or insurance required under the Contract in full force and effect, Contractor shall immediately suspend all work under the Contract and notify City in writing of such failure. After such notice is provided, or if City discovers such failure and notifies Contractor, the City thereafter may withhold all Contract payments due or that become due until notice is received by City that such bonds and/or insurance have been restored in full force and effect and that the premiums therefore have been paid for a period satisfactory to the Division of Risk Management. Contractor shall not resume work until notified by City to do so, and the City shall have no responsibility or liability for any costs incurred by Contractor as a result of such suspension of Work.

In addition to the foregoing, any failure to maintain any item of the required bonds and/or insurance at any time during the performance of this Contract will be sufficient cause for termination of the Contract by City.

The Contractor shall be solely responsible for, and shall defend, indemnify and hold harmless the City, its officers, employees and agents against and from, any and all damages, claims, losses, actions, costs or other expenses of any kind incurred by any party as a direct or indirect result of any suspension of Work or termination of the Contract under the provisions of this Section.

21. EXCUSABLE DELAYS

For the purpose of these Contract Documents, the term "Excusable Delay" shall mean, and is limited to, delay caused directly by: acts of God; acts of a public enemy; fires; inclement weather as determined by the Engineer; riots; insurrections; epidemics; quarantine restrictions; strikes; lockouts; sit-downs; acts of a governmental agency; priorities or privileges established for the manufacture, assemble, or allotment of materials necessary in the Work by order, decree or otherwise of the United States or by any department, bureau, commission, committee, agent, or administrator of any legally constituted public authority; changes in the Work ordered by City insofar as they necessarily require additional time in which to complete the Work; the prevention of Contractor from commencing or prosecuting the Work because of the acts of others, excepting Contractor's subcontractors or suppliers; or the prevention of Contractor from commencing or prosecuting the Work because of a Citywide failure of public utility service.

The term "Excusable Delay" shall specifically not include: (i) any delay that could have been avoided by the exercise of care, prudence, foresight and diligence on the part of Contractor; (ii) any delay in the prosecution of any part of the Work that does not constitute a Controlling Operation, whether or not such delay is unavoidable; (iii) any reasonable delay resulting from time required by City for review of any Contractor submittals and for the making of surveys, measurements and inspection; and, (iv) any delay arising from an interruption in the prosecution of the Work on account of reasonable interference by other Contractors employed by City that does not necessarily prevent the completion of the entire Work within the time specified. Excusable Delays, if any, shall operate only to extend the Completion Date specified in a job/task order (not in excess of the period of such delay as determined by City) and shall not under any circumstances increase the amount City is required to pay Contractor except as otherwise provided in these Contract Documents.

22. CONTRACTOR TO SERVE NOTICE OF DELAYS

Whenever Contractor foresees any delay in the prosecution of the Work, and in any event as soon as possible (not to exceed a period of ten (10) calendar days) after the initial occurrence of any delay that Contractor regards as or may later claim to be an Excusable Delay, the Contractor shall notify the Engineer in writing of such delay and its cause, in order that the Engineer: (i) may take immediate steps to prevent if possible the occurrence or continuance of the delay; or (ii) if this cannot be done, may determine whether the delay is to be considered excusable, how long it continues, and to what extent the prosecution and completion of the Work are delayed thereby. Said written notice shall constitute an application for an extension of time only if the notice requests such an extension and sets forth the Contractor's estimate of the additional time required together with a full description of the cause of the delay relied upon.

After the completion of any part or whole of the Work, the Engineer, in estimating the amount due Contractor, will assume that any and all delays that may have occurred in its prosecution and completion were not Excusable Delays, except for such delays for which the Contractor has provided timely written notice as required herein, and that the Engineer has found to be excusable. Contractor shall not be entitled to claim Excusable Delay for any delay for which the Contractor failed to provide such timely written notice.

23. EXTENSION OF TIME

If the Contractor complies with Section 22, above, and the Engineer finds a delay claimed by the Contractor to be an Excusable Delay, if the applicable job/task order specifies a Completion Date, the Contractor shall be allowed an extension of time to complete the Work that is proportional to the period of Excusable Delay determined by the Engineer, subject to the issuance by City of a revised job/task order granting such extension of the Completion Date. During a duly authorized extension for an Excusable Delay, City shall not charge liquidated damages against the Contractor for such delay.

If the City extends the time to complete the Work as provided herein, such extension shall in no way release any warranty or guarantee given by Contractor pursuant to the provisions of the Contract Documents, nor shall such extension of time relieve or release the sureties of the Bonds provided pursuant to the Contract Documents. By executing such Bonds, the Sureties shall be deemed to have expressly agreed to any such extension of time. The granting of any extension of time as provided herein shall in no way operate as a waiver on the part of City of its rights under this Contract, excepting only extension of the Completion Date for such period of Excusable Delay as may be determined by the Engineer and approved as provided herein.

24. NO PAYMENT FOR DELAYS

No damages or compensation of any kind shall be paid to Contractor or any subcontractor because of delays in the progress of the Work whether or not such delays qualify for extension of time under this Agreement; except that this provision shall not preclude the recovery of damages for a delay caused by the City that is unreasonable under the circumstances and that is not within the contemplation of the parties, provided that the Contractor timely submits all such written notice(s) and fully complies with such other procedures as may be specified in the Contract Documents or any Laws or Regulations for Contractor to claim damages for such delay.

25. CHANGES IN THE WORK

Changes in the Work authorized or directed in accordance with the Contract Documents and extensions of time of completion made necessary by reason thereof shall not in any way release any warranty or guarantee given by Contractor pursuant to the provisions of the Contract Documents, nor shall such changes in the Work relieve or release the Sureties on Bonds provided pursuant to the Contract Documents. By executing such Bonds, the Sureties shall be deemed to have expressly agreed to any such change in Work and to any extension of time made by reason thereof.

26. TERMINATION AFTER COMPLETION DATE

In addition to any other rights City may have, if any services or work required by a job/task order are not completed as of the Completion Date specified in the job/task order, if any (as adjusted by any extensions of time for Excusable Delays granted pursuant to the Contract Documents), City may terminate the Contract at any time after the Completion Date (as adjusted by any extensions of time for Excusable Delays granted pursuant to the Contract Documents), by providing a written notice to Contractor specifying the date of termination. Such notice also may specify conditions or requirements that Contractor must meet to avoid termination of the Contract on such date. If Contractor fails to fulfill all such conditions and requirements by such termination date, or, if no such conditions or requirements are specified, Contractor shall cease rendering services and performing work on such termination date, and shall not be entitled to receive any compensation for services rendered or work performed after such termination date. In the event of such termination, Contractor shall remain liable to City for liquidated damages incurred for any period of time prior to the termination date.

In addition to any other charges, withholdings or deductions authorized under the Contract or any Laws or Regulations, if City terminates the Contract pursuant to this section, City may withhold and deduct from any payment and/or retention funds otherwise due Contractor any sum necessary to pay the City's cost of completing or correcting, or contracting for the completion or correction of, any services or work under the Contract that are not completed to the satisfaction of the City or that otherwise are deficient or require correction as of such termination date. Such costs shall include all of the City's direct and indirect costs incurred to complete or correct such services or work, including the City's administrative and overhead costs. If the amount of payment(s) and/or retention funds otherwise due the Contractor are insufficient to pay such costs, City shall have the right to recover the balance of such costs from the Contractor and/or its Surety(ies).

27. TERMINATION FOR CONVENIENCE

- A. Upon written notice to the Contractor, the City may at any time, without cause and without prejudice to any other right or remedy of the City, elect to terminate the Contract for the convenience of City. In such case, the Contractor shall be paid (without duplication of any items, and after deduction and/or withholding of any amounts authorized to be deducted or withheld by the Contract Documents or any Laws or Regulations):
- (1) For Work executed pursuant to approved job/task order(s) in accordance with the Contract Documents prior to the effective date of termination and determined to be acceptable by the Engineer, including fair and reasonable sums for overhead and profit on such Work;
 - (2) For reasonable expenses directly attributable to termination.
- B. Contractor shall not be paid for any loss of anticipated profits or revenue for any Work not performed prior to termination, nor for any economic loss arising out of or resulting from such termination, except for the payments listed in this section. Contractor's warranty under Section 14 of this Agreement shall apply, and Contractor shall remain responsible for all obligations related to such warranty, with respect to all portions of the Work performed prior to the effective date of the termination for convenience pursuant to this section. The City shall be entitled to have any or all remaining Work performed by other contractors or by any other means at any time after the effective date of a termination for convenience pursuant to this section.

28. TERMINATION FOR BREACH OF CONTRACT

If Contractor abandons the Work under this Contract, or if the Contract or any portion of the Contract is sublet or assigned without the consent of the City, or if the Engineer determines in the Engineer's sole discretion that the conditions of the Contract in respect to the rate of progress of the Work are not being fulfilled or any part thereof is unnecessarily delayed, or if Contractor violates or breaches, or fails to execute in good faith, any of the terms or conditions

of the Contract, or if Contractor refuses or fails to supply enough properly skilled labor or materials or refuses or fails to make prompt payment to subcontractors for material or labor, or if Contractor disregards any Laws or Regulations or proper instruction or orders of the Engineer, then, notwithstanding any provision to the contrary herein, the City may give Contractor and its Surety(ies) written notification to immediately correct the situation or the Contract shall be terminated.

In the event that such notice is given, and, in the event such situation is not corrected, or arrangements for correction satisfactory to the City are not made, within ten (10) calendar days from the date of such notice or within such other period of time as may be specified by the City in the notice, the Contract shall upon the expiration of said period cease and terminate. In the event of any such termination, City may take over the Work and prosecute the Work to completion, or otherwise, and the Contractor and its Sureties shall be liable to City for any cost occasioned City thereby, as hereinafter set forth.

In the event City completes the Work, or causes the Work to be completed, no payment of any kind shall be made to Contractor until the Work is complete. The cost of completing the Work, including but not limited to, extra costs of project administration and management incurred by City, either direct or indirect, shall be deducted from any sum then due, or that becomes due, to Contractor from City. If sums due to Contractor from City are less than the cost of completing the Work, Contractor and its Sureties shall pay City a sum equal to this difference on demand. In the event City completes the Work, and there is a sum remaining due to Contractor after City deducts the costs of completing the Work, then City shall pay such sum to Contractor. The Contractor and Contractor's Sureties shall be jointly and severally liable for all obligations imposed on Contractor hereunder.

No act by City before the Work is finally accepted, including, but not limited to, exercise of other rights under the Contract, actions at law or in equity, extensions of time, payments, assessments of liquidated damages, occupation or acceptance of any part of the Work, waiver of any prior breach of the Contract or failure to take action pursuant to this section upon the happening of any prior default or breach of Contractor, shall be construed to be a waiver or estoppel of the City's right to act pursuant to this Section upon any subsequent event, occurrence or failure by Contractor to fulfill the terms and conditions of the Contract. The rights of City to terminate the Contract pursuant to this Section and pursuant to Sections 26 and 27 are cumulative and are in addition to all other rights of City pursuant to the Contract and at law or in equity.

29. CONTRACTOR BANKRUPT

If Contractor should commence any bankruptcy proceeding, or if Contractor is adjudged a bankrupt, or if Contractor makes any assignment for the benefit of creditors, or if a receiver is appointed on account of Contractor's insolvency, then the City may, without prejudice to any other right or remedy, terminate the Contract and complete the work by giving notice as provided in Section 28 above.

30. SURETIES' OBLIGATIONS UPON TERMINATION

If the City terminates the Contract pursuant to Section 28 or Section 29 above:

- A. The Surety under Contractor's performance bond shall be fully responsible for all of the Contractor's remaining obligations of performance under the Contract as if the Surety were a party to the Contract, including without limitation Contractor's obligations, as provided in the Contract Documents, to complete and provide a one-year warranty of the entire Work, pay liquidated damages and indemnify, defend and hold harmless City, up to the full amount of the performance bond.
- B. The Surety under Contractor's payment bond shall be fully responsible for the performance of all of the Contractor's remaining payment obligations for work, services, equipment or materials performed or provided in connection with the Work or any portion thereof, up to the full amount of the payment bond.

31. ACCOUNTING RECORDS OF CONTRACTOR

During performance of the Contract and for a period of three (3) years after completing the entire Work, Contractor shall maintain all accounting and financial records related to the Contract and performance of the Work in accordance with generally accepted accounting practices, and shall keep and make such records available for inspection and audit by representatives of the City upon reasonable written notice.

32. USE TAX REQUIREMENTS

During the performance of this Agreement, Contractor, for itself, its assignees and successors in interest, agrees as follows:

- A. Use Tax Direct Payment Permit: For all leases and purchases of materials, equipment, supplies, or other tangible personal property used to perform the Agreement and shipped from outside California, the Contractor and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment Permit from the California State Board of Equalization ("SBE") in accordance with the applicable SBE criteria and requirements.
- B. The above provisions shall apply in all instances unless prohibited by the funding source for the Agreement.

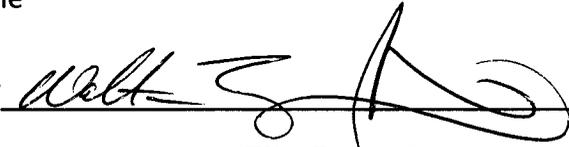
IN WITNESS WHEREOF, the parties hereto have signed this Agreement on the date set for opposite their names.

CONTRACTOR

Under penalty of perjury, I certify that the taxpayer identification number and all other information provided here are correct.

DATE: 7-27-15

BY 
Elite Power Inc.
Print Name **Walt Zacharias**
President/Owner

Title
BY 
Elite Power Inc.
Print Name **Walt Zacharias**
President/Owner

Title

Federal ID# Federal I.D. #68-0482447

State ID# 47282720

City of Sacramento Business Operation Tax Certificate No. (City will not award contract until Certificate Number is obtained)

Type of Business Entity (*check one*):

- Individual/Sole Proprietor
- Partnership
- Corporation (Two Signatures Required)
- Limited Liability Company
- Other (*please specify:* _____)

CITY OF SACRAMENTO
A municipal corporation

DATE: _____

BY William O. Busath

William O. Busath

Print Name

Director

Title

For John F. Shirey, City Manager

Original Approved As To Form:

Attest:

[Signature]
City Attorney

[Signature]
ant City Clerk 8-13-15

EXHIBIT 1

Electrical — General (Less than 600 Volts) Contract Specifications

General

Perform **Electrical — General (Less than 600 Volts)** installation, repairs, and replacement as directed by the City of Sacramento, including but not limited to the following:

1. Installation of exterior pole mounted wireless telemetry equipment. Some poles may also be used for roadway lighting. Contractor will be responsible for providing the safety training of personnel and implementing traffic control measures as necessary.
 - a. Gateways
 - b. Power supplies
 - c. Antennas
2. Electrical alterations and modifications.
3. Limited new electrical construction.
4. Indoor and outdoor electrical work in a variety of City owned facilities, etc. Some buildings will be secure and require special access.
5. Electrical Power work, including but not limited to the following:
 - a. Circuit breaker-replacement.
 - b. Disconnect replacement.
 - c. Fuse replacement.
 - d. Conduit repair, and installation, including RS, EMT, PVC, flexible conduit, etc.
 - e. Wire repair and installation, including copper, aluminum, all insulation and wire types (600 VAC and below).
 - f. Transformer removal and replacement.
 - g. Subpanel removal and replacement.
 - h. Electrical devices, including receptacles, switches, etc.
 - i. Motor, starters, variable frequency drives

j. Automatic transfer switches

6. Lighting work, including but not limited to the following:

- a. Indoor and outdoor lighting repairs and installations, including exterior pole mounted fixtures
- b. Lamp removal and replacement, including HID, fluorescent, incandescent, etc.
- c. Ballast removal and replacement, including HID, fluorescent, etc.
- d. New lighting fixture installation, all types.
- e. Lighting control work. Contractors must have experience with a variety of lighting control systems, including Intelligent Lighting Controls (ILC)

Note — Contractors may be required to furnish parts and equipment supplies

Qualifications

In addition to complying with all applicable laws and regulations, Contractors shall have been in the same business as the same entity for a minimum of three years. Contractors must possess all valid and applicable licenses for work to be performed prior to contract award.

Work Hours / Response Time

Work shall typically be performed between the hours of 6:00 AM and 4:00 PM — Monday through Friday.

Some department facilities such as Water Treatment Plants and lift may require work to be performed after

normal business hours. Contractors providing services (as contrasted with those providing materials only) shall be available to respond to City requests for service 24 hours per day, seven days per week, with the following response times: Response to non-emergency work requests shall be within 2 business days.

Response to emergency work requests shall be within 4 hours.

EXHIBIT 1

The Department of Utilities is responsible for providing services that are critical to health and life safety through the City's infrastructure and equipment repair during emergency situations and requests cooperation from all contractors providing On-Call services to the City of Sacramento. During a wide-scale emergency, firms may be contacted to provide services and/or equipment. Firms must agree that the City's request for services will be a top priority.

EXHIBIT 2

PRICING SHEET – LABOR RATES
(*Submit in sealed envelope***)**

Labor Rates: Provide labor rates for proposed on call work (*quantities are for evaluation purposes only, actual quantities may vary*):

(The City anticipates, but does not guarantee work)

	<u>Projects under \$25,000</u> <u>Hourly Rate</u>		<u>Prevailing Wage Project</u> <u>Hourly Rate</u>
Supervisor	<u>\$ 95.00</u>	Supervisor	<u>\$ 95.00</u>
Foreman	<u>\$ 88.00</u>	Foreman	<u>\$ 88.00</u>
Technician	<u>\$ 85.00</u>	Technician	<u>\$ 85.00</u>
Other 80% Apprentice	<u>\$ 78.00</u>	Other	<u>\$ 78.00</u>
Other Material Handler	<u>\$ 65.00</u>	Other	<u>\$ 65.00</u>
<u>Equipment Rates:</u>	<u>Weekly Rate</u>		<u>Weekly Rate</u>
43' Bucket-Truck	<u>\$ 1,288.00</u>	43' Bucket-Truck	<u>\$ 1,288.00</u>
	<u>Monthly Rate*</u>		<u>Monthly Rate*</u>
	<u>\$ 3,863.00</u>		<u>Mileage/Fuel*</u>
			<u>\$ 2.00/mile*</u>

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

BLANKET ADDITIONAL INSURED (CONTRACTORS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. WHO IS AN INSURED – (Section II) is amended to include any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:
 - a) Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
 - b) If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.
2. The insurance provided to the additional insured by this endorsement is limited as follows:
 - a) In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section III – Limits Of Insurance.
 - b) The insurance provided to the additional insured does not apply to "bodily injury", "property damage" or "personal injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
 - i. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
 - ii. Supervisory, inspection, architectural or engineering activities.
3. The insurance provided to the additional insured by this endorsement is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover under this endorsement. However, if the "written contract requiring insurance" specifically requires that this insurance apply on a primary basis or a primary and non-contributory basis, this insurance is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that "other insurance". But the insurance provided to the additional insured by this endorsement still is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under such "other insurance".
4. As a condition of coverage provided to the additional insured by this endorsement:
 - a) The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:
 - c) The insurance provided to the additional insured does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

COMMERCIAL GENERAL LIABILITY

- i. How, when and where the "occurrence" or offense took place;
 - ii. The names and addresses of any injured persons and witnesses; and
 - iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b) If a claim is made or "suit" is brought against the additional insured, the additional insured must:
- i. Immediately record the specifics of the claim or "suit" and the date received; and
 - ii. Notify us as soon as practicable.
- The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c) The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
- d) The additional insured must tender the defense and indemnity of any claim or "suit" to

any provider of "other insurance" which would cover the additional insured for a loss we cover under this endorsement. However, this condition does not affect whether the insurance provided to the additional insured by this endorsement is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured as described in paragraph 3. above.

5. The following definition is added to SECTION V. – DEFINITIONS:

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

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

COMMERCIAL GENERAL LIABILITY

by any ordinance, law or building code to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of such operations.

The insurance provided to such state or political subdivision does not apply to:

- a. Any "bodily injury," "property damage," "personal injury" or "advertising injury" arising out of operations performed for that state or political subdivision; or
- b. Any "bodily injury" or "property damage" included in the "products-completed operations hazard".

J. KNOWLEDGE AND NOTICE OF OCCURRENCE OR OFFENSE

The following is added to Paragraph 2., **Duties In The Event of Occurrence, Offense, Claim or Suit**, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

e. The following provisions apply to Paragraph a. above, but only for the purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section II – Who Is An Insured:

- (1) Notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint venture), any of your managers who is an individual (if you are a limited liability company), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture or limited liability company) or any "employee" authorized by you to give notice of an "occurrence" or offense.
- (2) If you are a partnership, joint venture or limited liability company, and none of your partners, joint venture members or managers are individuals, notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by:
 - (a) Any individual who is:
 - (i) A partner or member of any partnership or joint venture;

- (ii) A manager of any limited liability company; or

- (iii) An executive officer or director of any other organization;

that is your partner, joint venture member or manager; or

- (b) Any "employee" authorized by such partnership, joint venture, limited liability company or other organization to give notice of an "occurrence" or offense.

- (3) Notice to us of such "occurrence" or of an offense will be deemed to be given as soon as practicable if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice to us of the "occurrence" or offense as soon as practicable after any of the persons described in Paragraphs e. (1) or (2) above discovers that the "occurrence" or offense may result in sums to which the insurance provided under this Coverage Part may apply.

However, if this Coverage Part includes an endorsement that provides limited coverage for "bodily injury" or "property damage" or pollution costs arising out of a discharge, release or escape of "pollutants" which contains a requirement that the discharge, release or escape of "pollutants" must be reported to us within a specific number of days after its abrupt commencement, this Paragraph e. does not affect that requirement.

K. UNINTENTIONAL OMISSION

The following is added to Paragraph 6., **Representations**, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

L. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph 8., **Transfer Of Rights Of Recovery Against Others To Us**, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

COMMERCIAL GENERAL LIABILITY

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

- a. "Bodily injury" or "property damage" that occurs; or
- b. "Personal injury" or "advertising injury" caused by an offense that is committed;

subsequent to the execution of that contract or agreement.

A. AMENDED BODILY INJURY DEFINITION

The following replaces the definition of "bodily injury" in the **DEFINITIONS** Section:

3. "Bodily injury" means bodily injury, mental anguish, mental injury, shock, fright, disability, humiliation, sickness or disease sustained by a person, including death resulting from any of these at any time.

N. CONTRACTUAL LIABILITY – RAILROADS

1. The following replaces Paragraph c. of the definition of "insured contract" in the **DEFINITIONS** Section:
 - c. Any easement or license agreement;
2. Paragraph f.(1) of the definition of "insured contract" in the **DEFINITIONS** Section is deleted.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

DESIGNATED PROJECT(S) GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designated Project(s):

**Designated Project
General Aggregate(s):**

EACH "PROJECT" FOR WHICH YOU HAVE AGREED, IN A WRITTEN CONTRACT WHICH IS IN EFFECT DURING THIS POLICY PERIOD, TO PROVIDE A SEPARATE GENERAL AGGREGATE LIMIT, PROVIDED THAT THE CONTRACT IS SIGNED AND EXECUTED BY YOU BEFORE THE "BODILY INJURY" OR "PROPERTY DAMAGE" OCCURS.

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **COVERAGE A. (SECTION I)**, and for all medical expenses caused by accidents under **COVERAGE C. (SECTION I)**, which can be attributed only to operations at a single designated "project" shown in the Schedule above:
1. A separate Designated Project General Aggregate Limit applies to each designated "project", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations, unless separate **Designated Project General Aggregate(s)** are scheduled above.
 2. The Designated Project General Aggregate Limit is the most we will pay for the sum of all damages under **COVERAGE A.**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under **COVERAGE C.**, regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
 3. Any payments made under **COVERAGE A.** for damages or under **COVERAGE C.** for medical expenses shall reduce the Designated Project General Aggregate Limit for that designated "project". Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Project General Aggregate Limit for any other designated "project" shown in the Schedule above.
 4. The limits shown in the Declarations for **Each Occurrence, Damage To Premises Rented To You and Medical Expense** continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Project General Aggregate Limit.
- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **COVERAGE A. (SECTION I)**, and for all medical expenses caused by accidents under **COVERAGE C. (SECTION I)**, which cannot be attributed only to operations at a single designated "project" shown in the Schedule above:

COMMERCIAL GENERAL LIABILITY

1. Any payments made under **COVERAGE A.** for damages or under **COVERAGE C.** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and
 2. Such payments shall not reduce any Designated Project General Aggregate Limit.
- C. Part 2. of **SECTION III – LIMITS OF INSURANCE** is deleted and replaced by the following:
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Damages under **Coverage B;** and
 - b. Damages from "occurrences" under **COVERAGE A (SECTION I)** and for all medical expenses caused by accidents under **COVERAGE C (SECTION I)** which cannot be attributed only to operations at a single designated "project" shown in the **SCHEDULE** above.
- D. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Project General Aggregate Limit.
- E. For the purposes of this endorsement the **Definitions Section** is amended by the addition of the following definition:
- "Project" means an area away from premises owned by or rented to you at which you are performing operations pursuant to a contract or agreement. For the purposes of determining the applicable aggregate limit of insurance, each "project" that includes premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad shall be considered a single "project".
- F. The provisions of **SECTION III – LIMITS OF INSURANCE** not otherwise modified by this endorsement shall continue to apply as stipulated.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

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

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

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

PROVISIONS

A. BROAD FORM NAMED INSURED

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

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

B. BLANKET ADDITIONAL INSURED

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

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and

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

C. EMPLOYEE HIRED AUTO

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

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

COMMERCIAL AUTO

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

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

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

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

D. EMPLOYEES AS INSURED

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

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

E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

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

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

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

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

F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS

The following replaces Subparagraph (5) in Paragraph B.7., Policy Period, Coverage Territory, of SECTION IV – BUSINESS AUTO CONDITIONS:

- (5) Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or

within such country or jurisdiction, for Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

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

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

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

(iii) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

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

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

(b) This insurance is excess over any valid and collectible other insurance available

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

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

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

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

G. WAIVER OF DEDUCTIBLE – GLASS

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

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

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

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

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

I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT

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

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

J. PERSONAL EFFECTS

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

Personal Effects

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

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

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

No deductibles apply to this Personal Effects coverage.

K. AIRBAGS

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

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

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

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

L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS

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

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

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

COMMERCIAL AUTO

M. BLANKET WAIVER OF SUBROGATION

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

5. Transfer Of Rights Of Recovery Against Others To Us

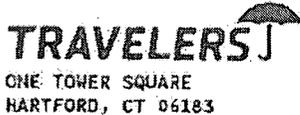
We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by

such contract. The waiver applies only to the person or organization designated in such contract.

N. UNINTENTIONAL ERRORS OR OMISSIONS

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

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



WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY

ENDORSEMENT WC 99.03.76 (A) - 001

POLICY NUMBER: DTJUB366K459314

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA (BLANKET WAIVER)

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule.

The additional premium for this endorsement shall be 02. % of the California workers' compensation premium.

Schedule

Person or Organization

Job Description

ANY PERSON OR ORGANIZATION FOR WHICH THE INSURED HAS AGREED BY WRITTEN CONTRACT EXECUTED PRIOR TO LOSS TO FURNISH THIS WAIVER.



This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 11/1/14 Insured Elite Power, Inc.

Policy No. DTJ-UB-366K459-3-14 Endorsement No. Premium

Insurance Company Travelers Property Casualty Co of America

Countersigned by [Signature]

**CITY OF SACRAMENTO
PERFORMANCE BOND**
Department of Utilities

Bond No.: 070017442
Premium: \$1,382.00

WHEREAS, the City of Sacramento, State of California, hereinafter called City, has conditionally awarded to

Elite Power
6530 Asher Lane
Sacramento, CA 95828

as principal, hereinafter called Contractor, a contract for construction of:

On-Call (Low Voltage) Electrical
(PN: ProjectNumber) (Q201313001521)

(For the period of July 1, 2015 to June 30, 2016. At the sole option of the Surety, this bond may be renewed for additional one year terms via continuation certificate)
which contract is by reference incorporated herein and made a part hereof as if the Surety named below were a party to the contract, and is hereinafter referred to as the Contract; and

WHEREAS, under the terms of the Contract, Contractor is required to furnish a bond for the faithful performance of the Contract.

NOW, THEREFORE, we the Contractor and (*here insert full name and address of Surety*):

The Ohio Casualty Insurance Company, 71 Stevenson Street, Suite 600, San Francisco, CA 94105,
a corporation duly authorized and admitted to transact business and issue surety bonds in the State of California, hereinafter called Surety, are held and firmly bound unto the City, as obligee, in the sum of: **ninety-six thousand DOLLARS and no cents (\$96,000.00)**, for the payment of which sum well and truly to be made, we the Contractor and Surety bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally. The condition of this obligation is such that, if the Contractor, Contractor's heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and fully perform all covenants, conditions and agreements required to be kept and performed by Contractor in the Contract and any changes, additions or alterations made thereto, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meanings, and shall indemnify and save harmless the City, its officers, employees and agents, as therein provided, then the Surety's obligations under the Contract and this bond shall be null and void; otherwise they shall be and remain in full force and effect. This obligation shall remain in full force and effect through the end of the Contract warranty period, which will expire one year after the completion of work date specified in the Notice of Completion filed for the above-named project.

As part of the obligations secured hereby and in addition to the sum specified above, there shall be included all costs, expenses and fees, including attorney's fees, reasonably incurred by City in successfully enforcing such obligations, all to be taxed as costs and included in any judgment rendered.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder or to the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration or addition.

IN WITNESS WHEREOF, this instrument has been duly executed by authorized representatives of the Contractor and Surety. SIGNED AND SEALED on July 21, 2015.

Elite Power
(Contractor) (Seal)
By Walt Zacharias
President/Owner
Title _____

The Ohio Casualty Insurance Company
(Surety) (Seal)
By _____

Title Jessica L. Nowlin, Attorney-in-Fact
Agent Name and Address: Edgewood Partners Insurance Center (EPIC)
135 Main Street, 21st Floor, San Francisco, CA, 94105
Agent Phone # 415-356-4841
Surety Phone # 415-537-2513
California License # 0B29370
Surety Email: jessica.nowlin@epicbrokers.com

ORIGINAL APPROVED AS TO FORM:

Joe [Signature]
City Attorney

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of San Francisco)

On July 21, 2015 before me, Teri L. Koehler, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Jessica L. Nowlin
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that ~~he~~/she/~~they~~ executed the same in ~~his~~/her/~~their~~ authorized capacity~~(ies)~~, and that by ~~his~~/her/~~their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature *Teri L. Koehler*
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer — Title(s): _____

Partner — Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

Signer's Name: _____

Corporate Officer — Title(s): _____

Partner — Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 7030276

American Fire and Casualty Company
The Ohio Casualty Insurance Company

Liberty Mutual Insurance Company
West American Insurance Company

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of New Hampshire; that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts; and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"); pursuant to and by authority herein set forth, does hereby name, constitute and appoint David Alvarado, Jeff Parkhurst, Jessica L. Nowlin, Scott Gaddy, Shaina E. Glischinski, Sofia Ocegueda, Teri L. Koehler

all of the city of San Francisco, state of CA each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 22nd day of June, 2015.



American Fire and Casualty Company
The Ohio Casualty Insurance Company
Liberty Mutual Insurance Company
West American Insurance Company

By: *David M. Carey*
David M. Carey, Assistant Secretary

STATE OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 22nd day of June, 2015, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of American Fire and Casualty Company, Liberty Mutual Insurance Company, The Ohio Casualty Insurance Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires March 28, 2017
Member, Pennsylvania Association of Notaries

By: *Teresa Pastella*
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV - OFFICERS - Section 12: Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII - Execution of Contracts - SECTION 5: Surety Bonds and Undertakings. Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation - The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization - By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Gregory W. Davenport, the undersigned, Assistant Secretary of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 21st day of July, 2015.



By: *Gregory W. Davenport*
Gregory W. Davenport, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

**CITY OF SACRAMENTO
PAYMENT BOND**
Department of Utilities

Bond No.: 070017442
Premium: Included on Performance Bond

WHEREAS, the City of Sacramento, in the State of California, hereinafter called City, has conditionally awarded to:

Elite Power
6530 Asher Lane
Sacramento, CA 95828

hereinafter called Contractor, a contract for construction of:

On-Call (Low Voltage) Electrical
(PN: Project Number) (Q201313001521)

(For the period of July 1, 2015 to June 30, 2016, At the sole option of the Surety, this bond may be renewed for additional one year terms via continuation certificate)
Which contract is by reference incorporated herein and made a part hereof, and is hereinafter referred to as the Contract; and

WHEREAS, under the terms of the Contract and pursuant to Chapter 5 of Title 3 of Part 6 of Division 4 of the California Civil Code (commencing with Civil Code Section 9550), Contractor is required to furnish a good and sufficient payment bond to secure payment of the claims to which reference is made in Civil Code Section 9554.

NOW, THEREFORE, we the Contractor and (*here insert full name and address of Surety*):

The Ohio Casualty Insurance Company, 71 Stevenson Street, Suite 600, San Francisco, CA 94105, a corporation duly authorized and admitted to transact business and issue surety bonds in the State of California, hereinafter called Surety, are held and firmly bound unto the City, and unto all persons or entities entitled to assert a claim against a payment bond under any of the aforesaid Civil Code provisions in the sum of ***ninety-six thousand DOLLARS and no cents (\$96,000.00)***, on the condition that if Contractor shall fail to pay for any materials or equipment furnished or used in performance of the Contract, or for any work or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, or for any amounts required to be deducted, withheld, and paid over to the Franchise Tax Board or the Employment Development Department from the wages of employees of the Contractor and all subcontractors with respect to such work or labor, then the Surety shall pay the same in an amount not exceeding the sum specified above. If suit is brought upon this bond, Surety shall pay, in addition to the above sum, all costs, expenses and fees, including attorney's fees, reasonably incurred by any party in successfully enforcing the obligation secured hereby, all to be taxed as costs and included in any judgment rendered. Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect, and shall bind Contractor, Surety, their heirs, executors, administrators, successors and assigns, jointly and severally.

It is hereby stipulated and agreed that this bond shall inure to the benefit of all persons, companies, corporations, political subdivisions, State agencies and other entities entitled to assert a claim against a payment bond under any of the aforesaid Civil Code provisions, so as to give a right of action to them or their assigns in any suit brought upon this bond. The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder or to the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration or addition.

IN WITNESS WHEREOF, this instrument has been duly executed by authorized representatives of the Contractor and Surety. SIGNED AND SEALED on July 21, 2015.

Elite Power
(Contractor) (Seal)
By Walt Zacharias
Title President/Owner

The Ohio Casualty Insurance Company

(Surety) (Seal)
By Jessica L. Nowlin

Title Jessica L. Nowlin, Attorney-in-Fact
Agent Name and Address Edgewood Partners Insurance Center (EPIC)
135 Main Street, 21st Floor, San Francisco, CA 94105
Agent Phone # 415-356-4841
Surety Phone # 415-537-2513
California License # 0B29370
Surety Email: jessica.nowlin@epicbrokers.com

ORIGINAL APPROVED AS TO FORM:

Joe Vol
City Attorney

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of San Francisco)

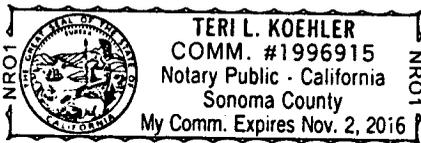
On July 21, 2015 before me, Teri L. Koehler, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Jessica L. Nowlin
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that ~~he~~/~~she~~/~~they~~ executed the same in ~~his~~/~~her~~/~~their~~ authorized capacity~~(ies)~~, and that by ~~his~~/~~her~~/~~their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Teri L. Koehler
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer — Title(s): _____

Partner — Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

Signer's Name: _____

Corporate Officer — Title(s): _____

Partner — Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 7030275

American Fire and Casualty Company
The Ohio Casualty Insurance Company

Liberty Mutual Insurance Company
West American Insurance Company

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of New Hampshire; that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts; and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"); pursuant to and by authority herein set forth; does hereby name, constitute and appoint David Alvarado, Jeff Parkhurst, Jessica L. Nowlin, Scott Gaddy, Shaina E. Glischinski, Sofia Ocegueda, Teri L. Koehler

all of the city of San Francisco, state of CA each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 22nd day of June 2015



American Fire and Casualty Company
The Ohio Casualty Insurance Company
Liberty Mutual Insurance Company
West American Insurance Company

By: *David M. Carey*
David M. Carey, Assistant Secretary

STATE OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 22nd day of June 2015, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of American Fire and Casualty Company, Liberty Mutual Insurance Company, The Ohio Casualty Insurance Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires March 28, 2017
Member, Pennsylvania Association of Notaries

By: *Teresa Pastella*
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV - OFFICERS - Section 12: Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII - Execution of Contracts - SECTION 5 Surety Bonds and Undertakings. Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation - The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization - By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Gregory W. Davenport, the undersigned, Assistant Secretary, of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 21st day of July 2015



By: *Gregory W. Davenport*
Gregory W. Davenport, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. Elite Power, Inc.		
	2 Business name/disregarded entity name, if different from above		
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>	
	5 Address (number, street, and apt. or suite no.) 6530 Asher Lane	Requester's name and address (optional)	
	6 City, state, and ZIP code Sacramento, CA 95828		
	7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number										
or										
Employer identification number										
6	8		-	0	4	8	2	4	4	7

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person	Date ▶ 8/4/2015
------------------	--------------------------	------------------------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

2015 Withholding Exemption Certificate

590

The payee completes this form and submits it to the withholding agent.

Withholding Agent (Type or print)

Name

Payee

Name

Elite Power, Inc.

SSN or ITIN FEIN CA Corp no. CA SOS file no.

6 8 0 4 8 2 4 4 7

Address (apt./ste., room, PO Box, or PMB no.)

6530 Asher Lane

City (If you have a foreign address, see instructions.)

Sacramento

State ZIP Code

CA 95828

Exemption Reason

Check only one reason box below that applies to the payee.

By checking the appropriate box below, the Payee certifies the reason for the exemption from the California income tax withholding requirements on payment(s) made to the entity or individual.

Individuals — Certification of Residency:

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

Corporations:

The corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.

Partnerships or Limited Liability Companies (LLCs):

The partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.

Tax-Exempt Entities:

The entity is exempt from tax under California Revenue and Taxation Code (R&TC) Section 23701 _____ (insert letter) or Internal Revenue Code Section 501(c) _____ (insert number). If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit Sharing Plans:

The entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

California Trusts:

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return. If the trustee or noncontingent beneficiary becomes a nonresident at any time, I will promptly notify the withholding agent.

Estates — Certification of Residency of Deceased Person:

I am the executor of the above-named person's estate or trust. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return.

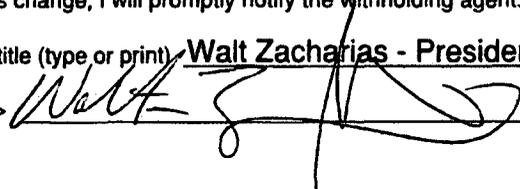
Nonmilitary Spouse of a Military Servicemember:

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

CERTIFICATE OF PAYEE: Payee must complete and sign below.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Payee's name and title (type or print) Walt Zacharias - President/Owner Telephone (916) 739 - 1580

Payee's signature  Date 8/4/2015

MUST BE POSTED IN CONSPICUOUS PLACE

City of
SACRAMENTO

126897

126897

BUSINESS OPERATIONS TAX CERTIFICATE

Business Name ELITE POWER, INC.
Business Address 6530 ASHER LN
Owner WALTER ZACHARIAS
Type of Business ELECTRICAL CONTRACTOR
Tax Classification 401

FROM TO
Mo. Day Yr. Mo. Day Yr.
01/01/2015 12/31/2015

Expires

CITY OF SACRAMENTO

TOTAL
PAID: \$5,067.00

ELITE POWER, INC.
6530 ASHER LN
SACRAMENTO, CA 95828

JAN 1 2 2015

IF NOT
PAID
VOIDED

THIS STUB MAY BE
FOLDED/DETACHED
BEFORE POSTING

This certificate is not to be construed as a business license or imply that the City of Sacramento has investigated, or approves or recommends, the holder of this certificate. Any representation to the contrary is fraudulent. (This certificate must be renewed within 30 days of expiration).



Requires Council Approval: No YES Meeting: 12/08/15

Real Estate Other Party Signature Needed Recording Requested

General Information

Table with 2 columns: Project Details and Attachment/Doc Info. Includes fields like Type: Public Project, PO Type: Formal Bid-Construction, Attachment: Change Order No.: 1, Original Doc Number: 2015-1316-1, etc.

Department Information

Department: Utilities ADRS: 2015-01017 Division: Engineering & Water Resources
Project Manager: Charley Cunningham Supervisor: Dave Hansen
Phone Number: 808-5518 Date: 11/18/2015 Division Manager: Dan Sherry
Contract Services: Renee Graves 1465 Org Number: 13400
Comment: original contract award from GS solicitation of services

Review and Signature Routing

Department Signature or Initial Date
Project Manager: [Signature] 11/18/15
Supervisor: [Signature] 11/18/15
Division Manager:

City Attorney Signature or Initial Date
City Attorney:

Send Interoffice Mail Notify for Pick Up

Authorization Signature or Initial Date
William O. Busath
Department Director:

Contract Cover/Routing Form: Must Accompany ALL Contracts; however, is not part of the contract. (01-01-09)

For City Clerk Processing
Finalized:
Initial:
Date:
Imaged:
Initial:
Date:
Received:
(City Clerk Stamp Here)

CITY OF SACRAMENTO
CHANGE ORDER

Contract # & Date: 2015-1316 08/13/15

Budget #: 443011-50000-6005-51000000-Z14010053-401

Purchase Order #: 0000030562

Change Order No: 1

Sacramento, California

December 1, 2015

TO: Elite Power, Contractor

CONTRACT FOR: ON-CALL LOW VOLTAGE ELECTRICAL

Upon mutual acceptance of this document by the City of Sacramento, hereinafter referred to as "CITY", and your firm, hereinafter referred to as "CONTRACTOR", in accordance with the terms and conditions of the original contract documents, you are hereby directed to make the following change or changes for the consideration set forth below:

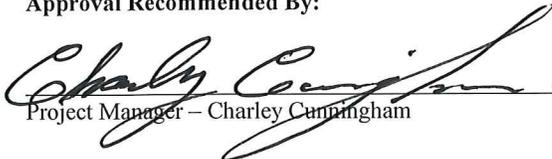
Description: "See Exhibit A, attached and incorporated herein"

The original contract sum was:	\$ <u>96,000.00</u>
Net change by previous change orders:	\$ <u>00.00</u>
The contract sum prior to this change order was:	\$ <u>96,000.00</u>
The contract sum will be increased by this C.O.:	\$ <u>200,000.00</u>
New contract sum including all Change Orders:	\$ <u>296,000.00</u>

CONTRACTOR agrees that the amount of increase or decrease in the contract sum specified in this change order shall constitute full compensation for the work required by this change order, including but not limited to all compensation for the additional and/or revised work specified herein, and shall fully compensate CONTRACTOR for any and all direct and indirect costs that may be incurred by CONTRACTOR in connection with such additional and/or revised work, including any changes, disruptions or delays in work schedules or in the performance of other work by CONTRACTOR. The time for performance of the Contract will **be unchanged** by reason of the work required by this Change Order. Except as herein above expressly provided, CONTRACTOR further agrees that the performance of the work specified in this Change Order or the rescheduling of other project work made necessary by this Change Order, shall not constitute a delay which will extend the time limit for completion of the work as said term is used in the Contract between CITY and CONTRACTOR for the project.

Approval Recommended By:

Approved as to Form By:


Project Manager – Charley Cunningham
Date 11/4/2015

Joe Robinson – Senior Deputy City Attorney

Approved By:

Approved By:


Contractor – Elite Power
Date 11-9-15
Walt Zacharias
President/Owner

William O. Busath – Director, Department of Utilities

Attested By:

Shirley Concolino - City Clerk

**CITY OF SACRAMENTO
CHANGE ORDER
EXHIBIT A**

Contract # & Date: 2015-1316 08/13/15

Budget #: 443011-50000-6005-51000000-Z14010053-401

Purchase Order #: 0000030562

Change Order No: 1

Perform Electrical — General (Less than 600 Volts) installation, repairs, and replacement as directed by the City of Sacramento, including but not limited to the following:

1. Installation of exterior pole mounted wireless telemetry equipment. Some poles may also be used for roadway lighting. Contractor will be responsible for providing the safety training of personnel and implementing traffic control measures as necessary.

- a. Gateways
- b. Power supplies
- c. Antennas

2. Electrical alterations and modifications.

3 Limited new electrical construction.

4. Indoor and outdoor electrical work in a variety of City owned facilities, etc. Some buildings will be secure and require special access.

5. Electrical Power work, including but not limited to the following:

- a. Circuit breaker-replacement.
- b. Disconnect replacement.
- c. Fuse replacement.
- d. Conduit repair, and installation, including RS, EMT, PVC, flexible conduit, etc.
- e. Wire repair and installation, including copper, aluminum, all insulation and wire types (600 VAC and below).
- f. Transformer removal and replacement.
- g. Subpanel removal and replacement.
- h. Electrical devices, including receptacles, switches, etc.
- i. Motor, starters, variable frequency drives
- j. Automatic transfer switches

6. Lighting work, including but not limited to the following:

- a. Indoor and outdoor lighting repairs and installations, including exterior pole mounted fixtures
- b. Lamp removal and replacement, including HID, fluorescent, incandescent, etc.
- c. Ballast removal and replacement, including HID, fluorescent, etc.
- d. New lighting fixture installation, all types.
- e. Lighting control work. Contractors must have experience with a variety of lighting control systems, including Intelligent Lighting Controls (ILC)

1) Note — Contractors may be required to furnish parts and equipment supplies

Total This Change Order:

\$200,000.00