

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

458



SUBMITTAL DATE:
April 21, 2011

FROM: Economic Development Agency

SUBJECT: County Farm Central Plant Chiller Upgrade Project – Approval of Contract

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find the first and second low bidders as non-responsive and award to Coutts Heating and Cooling, Inc., of Corona, California;
2. Approve the attached construction agreement between the County of Riverside and the Coutts Heating and Cooling, Inc., of Corona, California; in the amount of \$1,472,500, and authorize the Chairman of the Board to execute the agreement on behalf of the county;

Authorize the Assistant County Executive Officer/EDA to administer the agreement for Coutts Heating and Cooling, Inc. in accordance with applicable Board policies;

Robert Field

Robert Field
Assistant County Executive Officer/EDA

| | | | | |
|-----------------------|-------------------------------|--------------|-------------------------|---------|
| FINANCIAL DATA | Current F.Y. Total Cost: | \$ 1,823,844 | In Current Year Budget: | Yes |
| | Current F.Y. Net County Cost: | \$ 0 | Budget Adjustment: | No |
| | Annual Net County Cost: | \$ 0 | For Fiscal Year: | 2010/11 |

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

| | | |
|--|---|--------------------------|
| SOURCE OF FUNDS: Energy Efficient Conservation Block Grant – American Recovery and Reinvestment Act | Positions To Be Deleted Per A-30 | <input type="checkbox"/> |
| | Requires 4/5 Vote | <input type="checkbox"/> |

C.E.O. RECOMMENDATION: APPROVE
Jennifer L. Sarger
BY: Jennifer L. Sarger

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: May 3, 2011
xc: EDA, Auditor, CIP

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

Prev. Agn. Ref.: 3.15 of 5/25/10; 3.14 of 10/06/09 | District: 1 | Agenda Number: **3.19**

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

FORM IAP APPROVED COUNTY COUNSEL
 BY: NEAL R. KIPNIS
 DEPARTMENTAL CONCURRENCE
 REVIEWED BY: SAMUEL WONG
 PAUL ANGUILO, CPA, AUDITOR-CONTROLLER
 BY: Samuel Wong 4/21/11

RECOMMENDED MOTION: (Continued)

4. Approve the increase to the project budget of \$411,305; and
5. Delegate project management authority for this project to the Assistant County Executive Officer/EDA in accordance with applicable policies.

BACKGROUND:

On December 1, 2009, the Economic Development Agency (EDA) submitted the approved project list and required energy strategy documents to the Department of Energy (DOE) for final approval and funding. On April 2, 2010, DOE approved the County of Riverside's Energy Efficient Conservation Block Grant (EECBG) project list and awarded funding in the amount of \$6,591,600. On May 25, 2010, the Board of Supervisors approved the grant funds.

On September 14, 2010, the Board of Supervisors approved the plans and specifications, total project budget in the amount of \$1,412,539, and authorized the Clerk of the Board to advertise for bids for the County Farm Central Plant Chiller Upgrade Project. On October 4, 2010, 23 contractors attended a mandatory job walk. Bids were opened October 18, 2010, and Delmac Construction & Development, Inc. was the apparent lowest bidder. However, they were declared non-responsive due to not submitting the required additive alternate.

The second bidder, LA Air Conditioning, Inc. indicated a substitution of the equipment that was designated as the basis of design for the project. The county elected to review the proposed substitution before proceeding with award since a significant portion of the project cost would be composed of the four new air conditioning chiller units. The contractor submitted two different proposed substitutions; but the county, in cooperation with the consulting mechanical engineer, DCGA Engineers of Ontario, determined that neither equipment substitution met the minimum standards for utility and performance described in the project plans and specifications.

LA Air Conditioning, Inc. has a history of providing quality work for the county at competitive prices. However, following this good faith effort to reach an agreement on the equipment for this project, the county and LA Air Conditioning, Inc. agreed this bid was non-responsive. Therefore, Coutts was determined to be the lowest responsive and responsible bidder for this project.

The budget estimate previously presented to the Board of Supervisors was developed at the beginning of the design process and was provided in an effort to expedite the process to meet DOE time frames. However, through the course of the design process additional equipment replacements and control upgrades were added to increase the energy efficiencies and address necessary life cycle replacements. These additions add value to the project by bolstering reliability and reducing operational costs. The bids are within the engineer's revised budget provided during the design process.

Continued

PROJECT BUDGET:

The approximate allocation of the project budget is as follows:

| | |
|--|--------------------|
| Construction | \$1,472,500 |
| Design | \$ 83,500 |
| Project Management/Reproduction/Dedication | \$ 97,040 |
| County Inspections | \$ 2,500 |
| Specialty Inspections/Testing | \$ 2,500 |
| Project Contingency | \$ 165,804 |
| TOTAL | \$1,823,844 |

FINANCIAL IMPACT:

All costs associated with this project will be funded by EECGB through American Recovery and Reinvestment Act, thus no net county cost will be incurred as a result of this action.

AGREEMENT FORM

THIS AGREEMENT, entered into this 14th day of February, 2011, by and between Coutts Heating & Cooling, Inc., hereinafter called the "Contractor", and the County of Riverside hereinafter called the "Owner".

WITNESSETH: That the parties hereto have mutually covenanted and agreed as follows:

CONTRACT: The Complete Contract includes all of the Contract Documents, to wit: The Notice Inviting Bids, the Instructions to Bidders, the Contractor's Proposal, Wage Schedule, Payment and Performance Bonds, the Plans and Specifications plus any Addenda thereto, the General Conditions, the Supplementary General Conditions, if applicable and this Agreement. All Contract Documents are intended to cooperate and be complimentary so that any work called for in one and not mentioned in the other, or vice versa, is to be executed the same as if mentioned in all Contract Documents.

STATEMENT OF WORK: The Contractor hereby agrees to furnish all tools, equipment, services, apparatus, facilities, transportation, labor and materials for the **County Farm Central Plant Chiller Upgrade Project # FM0672000021**. In strict accordance with the Plans and Specifications dated July 2010 prepared by DCGA Engineers & County of Riverside hereinafter called the "Architect", including Addenda thereto as listed in the Contractor's Proposal, all of which are made a part hereof.

TIME FOR COMPLETION: The work shall be commenced on a date to be specified in a written order of the Architect and shall be completed within ninety (90) calendar days from and after said date. It is expressly agreed that except for extensions of time duly granted in the manner and for the reasons specified in the General Conditions, time shall be of the essence.

COMPENSATION TO BE PAID TO CONTRACTOR: The Owner agrees to pay and the Contractor agrees to accept in full consideration for the performance of the Contract, subject to additions and deductions as provided in the General Conditions, the sum of One million four hundred seventy two thousand five dollars (\$1,472,500.00) being the total of the base bid plus the following addenda: One (1). The sum is to be paid according to the schedule as provided in the General Conditions.

Pursuant to Labor Code, Section 1861, the Contractor gives the following certification: I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this Contract.

IN WITNESS WHEREOF, the parties hereto on the day and year first above written have executed this agreement in four (4) counterparts.

Type of Contractor's organization: Corporation
If other than individual or corporation, list names of all members who have authority to bind firm.

Firm Name: Coutts Heating & Cooling, Inc.
Address: 1693 Rimpau Avenue, Corona, CA. 92881
Contractor's License No.: 375584

IF OTHER THAN CORPORATION EXECUTE HERE

Signature: _____
Title: _____

Affix Seal
if
Corporation

IF CORPORATION, FILL OUT FOLLOWING AND EXECUTE

Name of President of Corporation: Carolyn Coutts

Name of Secretary of Corporation: John R. Coutts

Corporation is organized under the laws of State of California

Signature: _____

Title: John R. Coutts - Secretary/Treasurer

Owner: COUNTY OF RIVERSIDE Bob Buster

Signature: _____

Title: Chairman - Board of Supervisors

Attest: Clerk - Board of Supervisors KECIA HARPER-HEM

By: [Signature]

Title: Deputy

MAY - 3 2011 3:19

FORM APPROVED COUNTY COUNSEL
BY: [Signature] 4/18/11
MARSHA L. VICTOR DATE

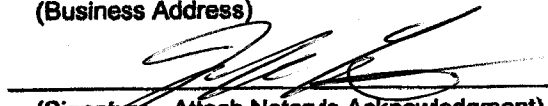
PERFORMANCE BOND

The makers of this Bond, Couts Heating & Cooling, Inc., as Principal, and Massachusetts Bay Insurance Co. as Surety, are held and firmly bound unto County of Riverside, hereinafter called the Owner, in the sum of One Million Four Hundred and Seventy Two Thousand Five Hundred and 00/100 Dollars (\$ 1,472,500.00) for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

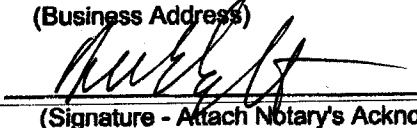
The condition of this obligation is such, that whereas the Principal entered into a certain contract, hereto attached, with the Owner, dated February 14, 2011, ~~2008~~ for **County Farm Central Plant Chiller**.

Now therefore, if the Principal shall well and truly perform and fulfill all the undertakings covenants, terms, conditions and agreements of said Contract during the original term of said Contract and any extension thereof that may be granted by the Owner, with or without notice to the Surety, and during the file of any guarantee required under the Contract, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said Contract that may thereafter be made, then this obligation to be void, otherwise to remain in full force and virtue. Without notice, Surety consents to extension of time for performance, change in requirements, change in compensation or prepayment under said Contract.

Signed and Sealed this 11 Day of February, ~~2011~~ 2011

Couts Heating & Cooling, Inc.
(Firm Name - Principal)
1693 Rimpau Avenue, Corona, CA. 92881
(Business Address)
By: 
(Signature - Attach Notary's Acknowledgment)
John R. Coutts - Secretary/Treasurer
(Title)

Affix Seal
if
Corporation

Massachusetts Bay Insurance Company
(Corporation Name - Surety)
333 City Blvd. West 17th Floor
Orange, CA 92868
(Business Address)
By: 
(Signature - Attach Notary's Acknowledgment)
Drew Ebright
ATTORNEY-IN-FACT
(Title-Attach Power of Attorney)

Affix
Corporate
Seal

PAYMENT BOND

(Public Work - Civil Code Section 3247 et seq.)

The makers of this Bond are Couts Heating & Cooling, Inc. as Principal and Original Contractor and Massachusetts Bay Insurance Corporation, authorized to issue Surety Bonds in California, as Surety, and this Bond is issued in conjunction with that certain public works contract dated February 14, 2011, ~~2010~~ between Principal and County of Riverside, a public entity, as owner, for One Million Four Hundred and Seventy Two Thousand Five Hundred and 00/100 dollars (\$ 1,472,500.00) the total amount payable. THE AMOUNT OF THIS BOND IS 100% OF SAID SUM. Said contract is for public work of: **County Farm Central Plant Chiller.**

The beneficiaries of this Bond are as is stated in 3248 of the Civil Code and the requirements and conditions of this Bond are as is set forth in Sections 3248, 3249, 3250 and 3252 of said Code. Without notice, Surety consents to extension of time for performance, change in requirements, amount of compensation, or prepayment under said Contract.

Signed and Sealed this 11 Day of February ~~2010~~ 2011

Couts Heating & Cooling, Inc.

(Firm Name - Principal)

1693 Rimpau Avenue, Corona, CA. 92881

(Business Address)

By:


(Signature - Attach Notary's Acknowledgment)

John R. Couts - Secretary/Treasurer

(Title)

Affix Seal
if
Corporation

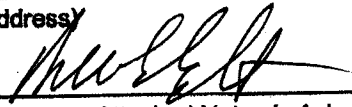
Massachusetts Bay Insurance Company

(Corporation Name - Surety)

333 City Blvd. West 17th Floor
Orange, CA 92868

(Business Address)

By:


(Signature - Attached Notary's Acknowledgment)

Drew Ebright

ATTORNEY-IN-FACT

(Title-Attach Power of Attorney)

Affix
Corporate
Seal

THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

POWERS OF ATTORNEY
CERTIFIED COPY

KNOW ALL MEN BY THESE PRESENTS: That THE HANOVER INSURANCE COMPANY and MASSACHUSETTS BAY INSURANCE COMPANY, both being corporations organized and existing under the laws of the State of New Hampshire, and CITIZENS INSURANCE COMPANY OF AMERICA, a corporation organized and existing under the laws of the State of Michigan, do hereby constitute and appoint Daniel Huckabay, Arturo Ayala, Dwight Reilly, Allison Ritto and/or Drew Ebright

Of Orange, CA and each is a true and lawful Attorney(s)-in-fact to sign, execute, seal, acknowledge and deliver for, and on its behalf, and as its act and deed any place within the United States, or, if the following line be filled in, only within the area therein designated

any and all bonds, recognizances, undertakings, contracts of indemnity or other writings obligatory in the nature thereof, as follows:
Any such obligations in the United States, not to exceed Ten Million and No/100 (\$10,000,000) in any single instance

and said companies hereby ratify and confirm all and whatsoever said Attorney(s)-in-fact may lawfully do in the premises by virtue of these presents. These appointments are made under and by authority of the following Resolution passed by the Board of Directors of said Companies which resolutions are still in effect:

"RESOLVED, That the President or any Vice President, in conjunction with any Assistant Vice President, be and they are hereby authorized and empowered to appoint Attorneys-in-fact of the Company, in its name and as its acts, to execute and acknowledge for and on its behalf as Surety any and all bonds, recognizances, contracts of indemnity, waivers of citation and all other writings obligatory in the nature thereof, with power to attach thereto the seal of the Company. Any such writings so executed by such Attorneys-in-fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company in their own proper persons." (Adopted October 7, 1981 - The Hanover Insurance Company; Adopted April 14, 1982 - Massachusetts Bay Insurance Company; Adopted September 7, 2001 - Citizens Insurance Company of America)

IN WITNESS WHEREOF, THE HANOVER INSURANCE COMPANY, MASSACHUSETTS BAY INSURANCE COMPANY and CITIZENS INSURANCE COMPANY OF AMERICA have caused these presents to be sealed with their respective corporate seals, duly attested by a Vice President and an Assistant Vice President, this 12th day of July, 2010.



THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

Mary Jeanne Anderson
Mary Jeanne Anderson, Vice President
Robert K. Grennan
Robert K. Grennan, Assistant Vice President

THE COMMONWEALTH OF MASSACHUSETTS)
COUNTY OF WORCESTER) ss.

On this 12th day of July, 2010 before me came the above named Vice President and Assistant Vice President of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, to me personally known to be the individuals and officers described herein, and acknowledged that the seals affixed to the preceding instrument are the corporate seals of The Hanover Insurance Company Massachusetts Bay Insurance Company and Citizens Insurance Company of America, respectively, and that the said corporate seals and their signatures as officers were duly affixed and subscribed to said instrument by the authority and direction of said Corporations.



Barbara A. Garlick
Notary Public

My commission expires on November 3, 2011

I, the undersigned Assistant Vice President of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, hereby certify that the above and foregoing is a full, true and correct copy of the Original Power of Attorney issued by said Companies, and do hereby further certify that the said Powers of Attorney are still in force and effect.

This Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America.

"RESOLVED, That any and all Powers of Attorney and Certified Copies of such Powers of Attorney and certification in respect thereto, granted and executed by the President or any Vice President in conjunction with any Assistant Vice President of the Company, shall be binding on the Company to the same extent as if all signatures therein were manually affixed, even though one or more of any such signatures thereon may be facsimile." (Adopted October 7, 1981 - The Hanover Insurance Company; Adopted April 14, 1982 Massachusetts Bay Insurance Company; Adopted September 7, 2001 - Citizens Insurance Company of America)

GIVEN under my hand and the seals of said Companies, at Worcester, Massachusetts, this 11 day of FEBRUARY, 20 11.

THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

Stephen L. Brault
Stephen L. Brault, Assistant Vice President

ACKNOWLEDGMENT

State of California
County of ORANGE

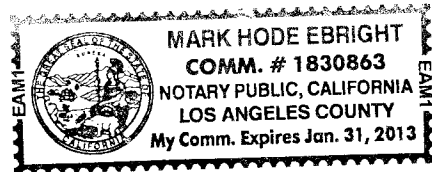
On 11 FEBRUARY 2011 before me, MARK HODE EBRIGHT NOTARY
(insert name and title of the officer)

personally appeared DREW EBRIGHT
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  (Seal)



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside

On February 11, 2011 before me, Lynnette Hoey
Date Here Insert Name and Title of the Officer

personally appeared John R. Coutts
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/hers/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 Lynnette Hoey
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another 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: _____

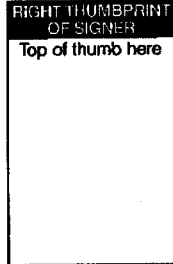
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____



CERTIFICATE OF LIABILITY INSURANCE

OP ID JK
COUTS-2

DATE (MM/DD/YYYY)

02/15/11

PRODUCER
Valley Insurance Service, Inc.
License# 0566246
800 S. Barranca Ave, Suite 200
Covina CA 91723
Phone: 626-966-3664 Fax: 626-966-3895

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

INSURED

Couts Heating and Cooling, Inc
1693 Rimpau Ave.
Corona CA 92881-3324

| INSURERS AFFORDING COVERAGE | | NAIC # |
|-----------------------------|---------------------------------|--------|
| INSURER A: | Golden Eagle Ins Corp (A-XV) | 10836 |
| INSURER B: | Zurich-American Ins. Co. (A-XV) | 16535 |
| INSURER C: | | |
| INSURER D: | | |
| INSURER E: | | |

COVERAGES

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

| INSR ADD'L LTR INSRD | TYPE OF INSURANCE | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YYYY) | POLICY EXPIRATION DATE (MM/DD/YYYY) | LIMITS |
|----------------------|--|---------------|------------------------------------|-------------------------------------|--|
| A X | GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Retention NIL GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC | CBP8770443 | 05/27/10 | 05/27/11 | EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 |
| A X | AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS | BA8770543 | 05/27/10 | 05/27/11 | COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ |
| | GARAGE LIABILITY <input type="checkbox"/> ANY AUTO | | | | AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$ |
| A X | EXCESS / UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> DEDUCTIBLE RETENTION \$NIL | CU8776744 | 05/27/10 | 05/27/11 | EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$ \$ \$ |
| B | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below Y/N <input type="checkbox"/> | WC427768801 | 07/01/10 | 07/01/11 | <input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1000000 E.L. DISEASE - EA EMPLOYEE \$ 1000000 E.L. DISEASE - POLICY LIMIT \$ 1000000 |
| | OTHER | | | | |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Re Project: #FM6720000021 County Farm Central Plant Chiller. County of Riverside-It's Director's, Officers, special Districts, Board of Supervisors employees, agents, or representatives are named as Additional Insured/Primary and non contributory wording and Waiver of Subrogation with respects to General Liability, Auto Liability, and Workers Compensation **

CERTIFICATE HOLDER

COUNTY77
County of Riverside Economic Development Agency
Design & Construction Division
3403 10th Street, 4th Floor
Riverside CA 92501

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

NOTEPAD:

HOLDER/ODE

COUNT/77

COUNTS-2

PAGE 3

INSURED/SINAME

Coups Heating and Cooling, Inc

OP/D JK

DATE 02/15/11

** Per attached CG 20 10 07 04; CG 20 370 (07/04); CG 2404 (10/93); CG 25 03 (03/97); GECA 701 (01/07); WC 04 03 06 Endorsements.

Forming a part of

| | |
|---|--|
| Policy Number: CBP8770443 | |
| Coverage Is Provided In GOLDEN EAGLE INSURANCE CORPORATION | |
| Named Insured: COUTS HEATING & COOLING INC | Agent: VALLEY INSURANCE SERVICES |
| Agent Code: 4292821 Agent Phone: (626)-986-3664 | |

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART
SCHEDULE**

| Name Of Additional Insured Person(s) Or Organization(s): | Location(s) Of Covered Operations |
|---|--|
| ANY PERSON OR ORGANIZATION WHEN YOU AND SUCH PERSON OR ORGANIZATION HAVE AGREED IN WRITING IN A CONTRACT, AGREEMENT OR PERMIT THAT SUCH PERSON OR ORGANIZATION BE ADDED AS AN ADDITIONAL INSURED ON YOUR POLICY TO PROVIDE INSURANCE SUCH AS IS AFFORDED UNDER THIS COVERAGE PART. | |
| SCHEDULED LOCATION OF COVERED OPERATIONS: ANY LOCATION AT WHICH YOU PERFORMED WORK DESCRIBED IN WRITING IN THE CONTRACT, AGREEMENT OR PERMIT FOR A PERSON OR ORGANIZATION THAT HAS BEEN QUALIFIED AS AN ADDITIONAL INSURED IN THIS ENDORSEMENT. | |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. | |

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

- 1. Your acts or omissions; or**
- 2. The acts or omissions of those acting on your behalf;**

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

- 1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or**
- 2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.**

© ISO Properties, Inc., 2004

CG 20 10 07 04

Page 1 of 1

05/27/2010

8770443

NEUSXRRAZ705

PGDM060D J17805

GCAOPPN 00004279 Page 63

Forming a part of

| | |
|---|---|
| Policy Number: CBP8770443 | |
| Coverage Is Provided In GOLDEN EAGLE INSURANCE CORPORATION | |
| Named Insured: COUTS HEATING & COOLING INC | Agent: VALLEY INSURANCE SERVICES |
| | Agent Code: 4292821 Agent Phone: (626)-986-3884 |

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Section II – Who is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):

ANY PERSON OR ORGANIZATION WHEN YOU AND SUCH PERSON OR ORGANIZATION HAVE AGREED IN WRITING IN A CONTRACT, AGREEMENT OR PERMIT THAT SUCH PERSON OR ORGANIZATION BE ADDED AS AN ADD'D INSURED ON YOUR POLICY TO PROVIDE INSURANCE SUCH AS IS AFFORDED UNDER THIS COVERAGE PART

Location And Description Of Completed Operations:

ANY LOCATION T WHICH YOU PERFORMED WORK DESCRIBED IN WRITING IN THE CONTRACT, AGREEMENT OR PERMIT FOR A PERSON OR ORGANIZATION THAT HAS BEEN QUALIFIED AS AN ADDITIONAL INSURED IN THIS ENDORSEMENT

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Forming a part of

| | |
|---|---|
| Policy Number: CBP 8770443 | |
| Coverage is Provided In GOLDEN EAGLE INSURANCE CORPORATION | |
| Named Insured: COUTS HEATING & COOLING INC | Agent: VALLEY INSURANCE SERVICES |
| | Agent Code: 4282821 Agent Phone: (828)-988-3684 |

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

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

SCHEDULE

Name of Person or Organization:

The County of Riverside, its Director's and Officers, Special Districts, Board of Supervisors, Elected officials, employees, agents, or representatives

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

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Forming a part of

Policy Number: CBP 8770443

Coverage is Provided In GOLDEN EAGLE INSURANCE CORPORATION

Named Insured:
COUTS HEATING & COOLING INC

Agent:
VALLEY INSURANCE SERVICES

Agent Code: 4292821 Agent Phone: (626)-966-3664

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**DESIGNATED CONSTRUCTION PROJECT(S)
GENERAL AGGREGATE LIMIT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designated Construction Projects:

ALL NAMED DESIGNATED PROJECTS

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

- 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 ongoing operations at a single designated construction project shown in the Schedule above:
1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
 2. The Designated Construction 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 Construction Project General Aggregate Limit for that designated construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.
 4. The limits shown in the Declarations for Each Occurrence, Fire Damage 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 Construction 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 ongoing operations at a single designated construction project shown in the Schedule above:**
- 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 Construction Project General Aggregate Limit.**
- C. 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 Construction Project General Aggregate Limit.**
- D. If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.**
- E. The provisions of Limits Of Insurance (SECTION III) not otherwise modified by this endorsement shall continue to apply as stipulated.**

COMMERCIAL AUTO GOLD ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

SECTION II - LIABILITY COVERAGE

A. COVERAGE

1. WHO IS AN INSURED

The following is added:

- d. Any organization, other than a partnership or joint venture, over which you maintain ownership or a majority interest on the effective date of this Coverage Form, if there is no similar insurance available to that organization.
- e. Any organization you newly acquire or form other than a partnership or joint venture, and over which you maintain ownership of a majority interest. However, coverage under this provision does not apply:
 - (1) If there is similar insurance or a self-insured retention plan available to that organization; or
 - (2) To "bodily injury" or "property damage" that occurred before you acquired or formed the organization.
- f. Any volunteer or employee of yours while using a covered "auto" you do not own, hire or borrow your business or your personal affairs. Insurance provided by this endorsement is excess over any other insurance available to any volunteer or employee.
- g. Any person, organization, trustee, estate or governmental entity with respect to the operation, maintenance or use of a covered "auto" by an insured, if:
 - (1) You are obligated to add that person, organization, trustee, estate or governmental entity as an additional insured to this policy by:
 - (a) an expressed provision of an "insured contract", or written agreement; or
 - (b) an expressed condition of a written permit issued to you by a governmental or public authority.
 - (2) The "bodily injury" or "property damage" is caused by an "accident" which takes place after:
 - (a) You executed the "insured contract" or written agreement; or
 - (b) the permit has been issued to you.

2. COVERAGE EXTENSIONS

a. Supplementary Payments.

Subparagraphs (2) and (4) are amended as follows:

(2) Up to \$2500 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.

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

SECTION III - PHYSICAL DAMAGE COVERAGE

A. COVERAGE

The following is added:

5. Hired Auto Physical Damage

or a. Any "auto" you lease, hire, rent or borrow from someone other than your employees or partners members of their household is a covered "auto" for each of your physical damage coverages.

b. The most we will pay for "loss" in any one "accident" is the smallest of:

(1) \$50,000

(2) The actual cash value of the damaged or stolen property as of the time of the "loss"; or

(3) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

If you are liable for the "accident", we will also pay up to \$500 per "accident" for the actual loss of use to the owner of the covered "auto".

c. Our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by an amount that is equal to the amount of the largest deductible shown for any owned "auto" for that coverage. However, any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

d. For this coverage, the insurance provided is primary for any covered "auto" you hire without a driver and excess over any other collectible insurance for any covered "auto" that you hire with a driver.

6. Rental Reimbursement Coverage

based per with for We will pay up to \$75 per day for up to 30 days, for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto". Rental Reimbursement will be on the rental of a comparable vehicle, which in many cases may be substantially less than \$75 day, and will only be allowed for a period of time it should take to repair or replace the vehicle reasonable speed and similar quality, up to a maximum of 30 days. We will also pay up to \$500 reasonable and necessary expenses incurred by you to remove and replace your materials and equipment from the covered "auto".

If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided under paragraph 4. **Coverage Extension.**

7. Lease Gap Coverage

If a long-term leased "auto" is a covered "auto" and the lessor is named as an Additional Insured - Lessor, in the event of a total loss, we will pay your additional legal obligation to the lessor for any difference between the actual cash value of the "auto" at the time of the loss and the "outstanding balance" of the lease.

"Outstanding balance" means the amount you owe on the lease at the time of loss less any amounts representing taxes; overdue payments; penalties, interest or charges resulting from overdue payments; additional mileage charges; excess wear and tear charges; and lease termination fees.

B. EXCLUSIONS

The following is added to Paragraph 3

The exclusion for "loss" caused by or resulting from mechanical or electrical breakdown does not apply to the accidental discharge of an airbag.

Paragraph 4 is replaced with the following:

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, disks or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Equipment designed or used for the detection or location of radar.
- c. Any electronic equipment that receives or transmits audio, visual or data signals.

Exclusion 4.c does not apply to:

- (1) Electronic equipment that receives or transmits audio, visual or data signals, whether or not designed solely for the reproduction of sound, if the equipment is permanently installed in the covered "auto" at the time of the "loss" and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- (2) Any other electronic equipment that is:
 - (a) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
 - (b) An integral part of the same unit housing any sound reproducing equipment described in (1) above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

D. DEDUCTIBLE

The following is added: No deductible applies to glass damage if the glass is repaired rather than replaced.

SECTION IV. BUSINESS AUTO CONDITIONS

A. LOSS CONDITIONS

Item 2.a. and b. are replaced with:

2. Duties In The Event of Accident, Claim, Suit, or Loss

- a. You must promptly notify us. Your duty to promptly notify us is effective when any of your executive officers, partners, members, or legal representatives is aware of the accident, claim, "suit", or loss. Knowledge of an accident, claim, "suit", or loss, by other employee(s) does not imply you also have such knowledge.
- b. To the extent possible, notice to us should include:
 - (1) How, when and where the accident or loss took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the accident or loss.

The following is added to 5.

We waive any right of recovery we may have against any additional insured under Coverage A. 1. Who Is An Insured g., but only as respects loss arising out of the operation, maintenance or use of a covered "auto" pursuant to the provisions of the "insured contract", written agreement, or permit.

B. GENERAL CONDITIONS

9. is added

9. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

Your unintentional failure to disclose any hazards existing at the effective date of your policy will not prejudice the coverage afforded. However, we have the right to collect additional premium for any such hazard.

COMMON POLICY CONDITIONS

2.b. is replaced by the following:

- b. 60 days before the effective date of cancellation if we cancel for any other reason.

Policy Number: WC427768801

Couts Heating and Cooling, Inc

WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE POLICY

WC 04 03 06

(Ed. 4-84)

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT—
CALIFORNIA**

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

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

The additional premium for this endorsement shall be
premium otherwise due on such remuneration.

% of the California workers' compensation pre-

Schedule

Person or Organization

Job Description

**ALL PERSONS AND/OR ORGANIZATIONS THAT
ARE REQUIRED BY WRITTEN CONTRACT OR
AGREEMENT WITH THE INSURED, EXECUTED
PRIOR TO THE ACCIDENT OR LOSS, THAT
WAIVER OF SUBROGATION BE PROVIDED UNDER
THIS POLICY FOR WORK PERFORMED BY YOU
FOR THAT PERSON AND/OR ORGANIZATION.**

IMPORTANT

If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.