

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

444



FROM: Economic Development Agency

SUBMITTAL DATE:
October 25, 2012

SUBJECT: French Valley Airport, Airfield Electrical Lighting and Automated Weather Observation System Upgrade Rehabilitation Project AIP 03-06-0338-26-2012

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and authorize the Chairman of the Board to execute the attached contract between the County of Riverside and Cindy Bales Engineering, for the Airfield Electrical Lighting and Automated Weather Observation System (AWOS) Upgrade Rehabilitation at French Valley Airport; and
2. Delegate change order authority to the Assistant County Executive Officer/EDA or designee in accordance with Board Policy B-11.

BACKGROUND: (Commences on Page 2)

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 770,521	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2012/13

COMPANION ITEM ON BOARD AGENDA: No	
SOURCE OF FUNDS: Federal Aviation Administration Airport Improvement Program (AIP) Grant Funds (90%), State Division of Aeronautics Grant Funds (5%) and Airport Match Funds (5%)	Positions To Be Deleted Per A-30 <input type="checkbox"/>
	Requires 4/5 Vote <input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, 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: November 6, 2012
 xc: EDA

Kecia Harper-Ihem
 Clerk of the Board
 By:
 Deputy

Prev. Agn. Ref.: N/A

District: 3/3

Agenda Number:

3.24

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: Samuel Wong 10/25/12
 SAMUEL WONG
 NEAL R. KIPNIS
 NEAL R. KIPNIS
 FORM APPROVED COUNTY COUNSEL
 BY: [Signature]

BACKGROUND:

On July 17, 2012, the Board authorized the Clerk of the Board to advertise the Notice Inviting Bids for the project. The project will rehabilitate the main Runway and Taxiways lighting, upgrade the Automated Weather Observation System (AWOS) and will improve the airports operations by increasing airport operational safety.

On August 21, 2012, five bids were submitted for the Airfield Electrical Lighting and Automated Weather Observation System (AWOS) Upgrade Rehabilitation Project, which consisted of a base bid and 3 alternate bids.

Following is a summary of the bid award:

<u>Contractor</u>	<u>Base Bid</u>	<u>Alternate 1</u>	<u>Alternate 2</u>	<u>Alternate 3</u>	<u>Total Bid</u>
Cindy Bales Engineering	\$646,601	\$39,820	\$21,100	\$63,000	\$770,521
RB Development	\$714,100	\$45,000	\$43,000	\$79,000	\$881,100
Vellutini Corp. dba Royal Elec.	\$722,155	\$ 7,950	\$ 7,370	\$66,270	\$803,745

The project documents have been reviewed and approved by the Federal Aviation Administration (FAA) and County Counsel, and are consistent with current guidelines for general Aviation facilities. This project is consistent with the airport's master plan.

Staff recommends that the Board accept the bid of Cindy Bales Engineering, and award the contract in the amount of \$770,521. There will be no impact on the County's general fund. The Federal Aviation Administration has reviewed the foregoing and concurs with staff's recommendations. County Counsel has approved as to form.

**CONTRACT AGREEMENT
FRENCH VALLEY AIRPORT
"RUNWAY AND TAXIWAY LIGHTING REHABILITATION
AND AWOS III UPGRADE"
COUNTY OF RIVERSIDE
CONSTRUCTION OF AIRPORT IMPROVEMENTS**

THIS AGREEMENT, made and entered into this 25th day of September 2012, by and between the COUNTY OF RIVERSIDE (the COUNTY), organized and existing under and by virtue of the laws of the State of California, hereinafter designated the OWNER, and CINDY BALES ENGINEERING INC of the City of BIG BEAR CITY, County of SAN BERNARDINO, State of California, hereinafter designated the CONTRACTOR.

WITNESSETH:

That the said CONTRACTOR has covenanted and agreed, for and in consideration of the payments made as provided for in the Proposal, Project Specifications, and Contract Documents, to the CONTRACTOR by the said OWNER, and under the penalty expressed in the bond hereto attached, at his proper cost and expense, to do all the work and furnish all materials, tools, labor, and all appliance and appurtenances called for by the Agreement, free from all claims, liens, and charges whatsoever, in the manner and under the conditions hereinafter specified, that are necessary for the construction of: **RUNWAY AND TAXIWAY LIGHTING REHABILITATION AND AWOS III UPGRADE**

The work done and materials and equipment furnished shall be strictly pursuant to and in conformity with the Plans, Project Specifications, and Contract Documents. The Project Specifications and Contract Documents and Drawings furnished by the CONTRACTOR with his proposal and the additional drawings or prints and other information to be furnished by the CONTRACTOR in accordance with the Project Specifications and Contract Documents are made a part of this Agreement when and as approved by the COUNTY OF RIVERSIDE, are intended to be complementary, and all Project Specifications and Contract Documents, Plans, Drawings, or prints furnished by the CONTRACTOR and approved by the COUNTY OF RIVERSIDE shall be complementary therewith. Any work appearing in or upon the one and not mentioned in the others shall be executed according to the true intent and meaning of the said Plans, Project Specifications, and Contract Documents, Drawings, or prints the same as though the said work were contained and described in all.

The Notice Inviting Bids, Instruction to Bidders, FAA-Required Provisions, Riverside County Provisions, General, and Special Provisions, Proposal, Bid Bond, Payment Bond, Performance Bond, Certificate of Insurance, CONTRACTOR's Affidavit, Technical Provisions, Appendix, Plans, Addenda Nos. Ø, General Wage Decisions, any change orders issued, and any additional or supplemental specifications, notices, instructions, and drawings issued in accordance with the provisions of the Contract Documents are hereby understood to be a part of this CONTRACT. The Bid Bond is exonerated upon execution of this Agreement, the Payment Bond, Faithful Performance Bond, and the submission of proof of insurance.

It is further covenanted and agreed that the work shall be executed under the direction and supervision of the COUNTY OF RIVERSIDE, California, or properly authorized agents, on whose inspection all work shall be accepted or rejected.

The COUNTY shall have full power to reject or condemn all materials furnished or work performed under this CONTRACT which do not conform to the terms and conditions herein expressed.

To prevent all disputes and litigation, it is further agreed by and between the COUNTY OF RIVERSIDE, California and said CONTRACTOR, that the Aviation Division of the COUNTY OF RIVERSIDE, Economic Development Agency, shall determine all questions in relation to the work and the construction thereof, and it shall in all cases decide all questions may arise relative to the execution of the work under this CONTRACT on the part of the said CONTRACTOR, and its estimates and decisions, in case any questions may arise, shall be a condition precedent to the right of said CONTRACTOR to receive any money or compensation for anything done or furnished under this CONTRACT.

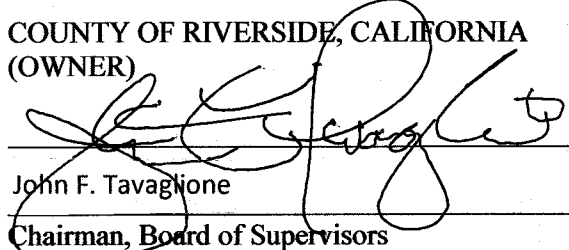
Any violation or breach of the terms of this CONTRACT on the part of CONTRACTOR/ Subcontractor may result in the suspension or termination of this CONTRACT, or such other action which may be necessary to enforce the rights of the parties of this Agreement.


IN WITNESS WHEREOF, five (5) identical counterparts of this CONTRACT, each of which shall for all purposes be deemed an original thereof, have been duly executed by the parties hereinabove named, on the date and year first herein written.

Contract Price: \$770,521.00

SEAL (ATTEST)

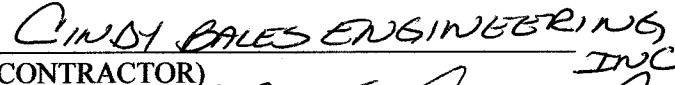
COUNTY OF RIVERSIDE, CALIFORNIA
(OWNER)


John F. Tavaglione
Chairman, Board of Supervisors

ATTEST:
KECIA HARPER-IHEM, Clerk
By  DEPUTY

APPROVED (AS TO FORM):


County Counsel


CINDY BALES ENGINEERING, INC
(CONTRACTOR)

Title:

Title:

WITNESSES:

Address:

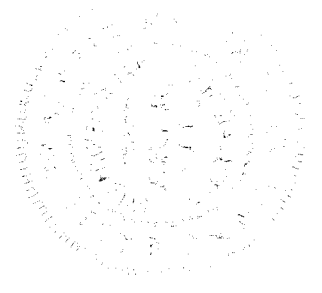
PO Box 1600
BIG BEAR CITY CA 92314

Phone:

Contractor's License No.

Classification and Expiration Date:

(CORPORATE SEAL)



**Premium Is For Contract Term
And Is Subject To Adjustment
Based On Final Contract Price**

EXECUTED IN FOUR COUNTERPARTS
BOND NO. 1000957091
PREMIUM: \$11,205.00

PERFORMANCE BOND

RECITALS:

1. CINDY BALES ENGINEERING, INC. (CONTRACTOR) has entered into an Agreement dated 9/25/12 with the COUNTY OF RIVERSIDE (COUNTY) for construction of public work known as **FRENCH VALLEY AIRPORT RUNWAY AND TAXIWAY LIGHTING REHABILITATION AND AWOS III UPGRADE**
2. U.S. SPECIALTY INSURANCE COMPANY, a corporation (Surety), is the Surety under this Bond.

AGREEMENT:

We, CONTRACTOR, as Principal, and Surety, jointly and severally agree, state, and are bound unto County

1. The amount of the obligation of this Bond is one hundred percent (100%) of the estimated CONTRACT price for the PROJECT of \$ 770,521.00 and inures to the benefit of COUNTY.
2. This Bond is exonerated by CONTRACTOR doing all things to be kept and performed by it in strict conformance with the Contract Documents for the PROJECT; otherwise it remains in full force and effect for the recovery of loss, damage, and expense of COUNTY resulting from failure of CONTRACTOR to so act. All of said Contract Documents are incorporated herein.
3. This obligation is binding on our successors and assigns.
4. For value received, Surety stipulates and agrees that no change, time extension, prepayment to CONTRACTOR, alteration, or addition to the terms and requirements of the Contract Documents or the work to be performed thereunder shall affect its obligations hereunder and waives notice as to such matters, except the total CONTRACT PRICE cannot be increased by more than twenty-five percent (25%) without approval of Surety.

THIS BOND is executed as of SEPTEMBER 24, 2012

By: Mark D. Iatarola
(Authorized Signature)

Type Name MARK D. IATAROLA, ATTORNEY-IN-FACT
Its Attorney in Fact

U.S. SPECIALTY INSURANCE COMPANY

Name of Surety
CINDY BALES ENGINEERING, INC.

By: Cindy Bales

Title: CINDY BALES, PRESIDENT
"Contractor"

NOTE: This Bond must be executed by both parties with corporate seal affixed. All signatures must be acknowledged.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

County of SAN DIEGO }

On 9/24/2012
Date

before me,

MICHELLE M. BASUIL, NOTARY PUBLIC
Here Insert Name and Title of the Officer

personally appeared _____

MARK D. IATAROLA
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 Michelle M. Basuil
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: PERFORMANCE BOND

Document Date: 9/24/2012

Number of Pages: 1

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: MARK D. IATAROLA

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

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____

Signer's Name: _____

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

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____

POWER OF ATTORNEY

AMERICAN CONTRACTORS INDEMNITY COMPANY UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

KNOW ALL MEN BY THESE PRESENTS: That American Contractors Indemnity Company, a California corporation, United States Surety Company, a Maryland corporation and U.S. Specialty Insurance Company, a Texas corporation (collectively, the "Companies"), do by these presents make, constitute and appoint:

John G. Maloney, Mark D. Iatarola or Helen Maloney of Escondido, California

its true and lawful Attorney(s)-in-fact, each in their separate capacity if more than one is named above, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed *****Ten Million***** Dollars (\$**10,000,000.00**).

This Power of Attorney shall expire without further action on March 18, 2015. This Power of Attorney is granted under and by authority of the following resolutions adopted by the Boards of Directors of the Companies:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, The Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 3rd day of October, 2011.

AMERICAN CONTRACTORS INDEMNITY COMPANY UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

Corporate Seals



By:

[Signature]
Daniel P. Aguilar, Vice President

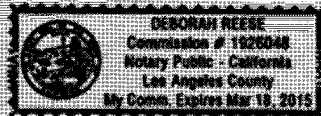
State of California

County of Los Angeles SS:

On this 3rd day of October, 2011, before me, Deborah Reese, a notary public, personally appeared Daniel P. Aguilar, Vice President of American Contractors Indemnity Company, United States Surety Company and U.S. Specialty Insurance Company who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature 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 *[Signature]* (Seal)



I, Jeannie Lee, Assistant Secretary of American Contractors Indemnity Company, United States Surety Company and U.S. Specialty Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Los Angeles, California this 24TH day of SEPTEMBER 2012.

Corporate Seals



[Signature]
Jeannie Lee, Assistant Secretary

Bond No. 1000957091
Agency No. 4013

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

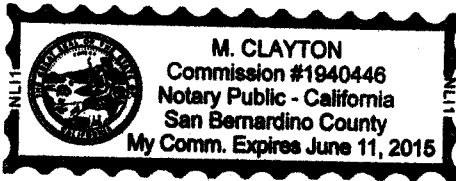
State of California

County of San Bernardino }

On 9-25-12 before me, M. Clayton, notary public
Date Here Insert Name and Title of the Officer

personally appeared Cynthia Snyder Bales
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: M. Clayton
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: _____ Signer's Name: _____

Corporate Officer — Title(s): _____ Corporate Officer — Title(s): _____

Individual Individual

Partner — Limited General Partner — Limited General

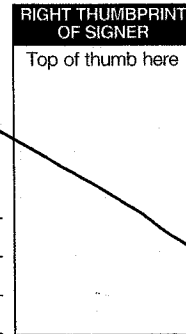
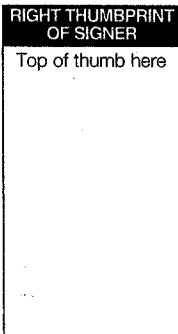
Attorney in Fact Attorney in Fact

Trustee Trustee

Guardian or Conservator Guardian or Conservator

Other: _____ Other: _____

Signer Is Representing: _____ Signer Is Representing: _____



PREMIUM INCLUDED IN PERFORMANCE BOND

PAYMENT BOND

(Public Works Civil Code 3247 et seq.)

The makers of this Bond are CINDY BALES ENGINEERING, INC., as Principal and Original CONTRACTOR, and U.S. SPECIALTY INSURANCE COMPANY, a corporation, authorized to issue Surety Bonds in California, as Surety, and this Bond is issued in conjunction with that certain public works contract dated 9/25/12, between Principal and COUNTY OF RIVERSIDE, a public entity, as OWNER, for \$ 770,521.00, the total amount Payable. THE AMOUNT OF THIS BOND IS 100 PERCENT (100%) OF SAID SUM. Said CONTRACT is for public work generally consisting of airport improvements at FRENCH VALLEY AIRPORT.

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

Dated: SEPTEMBER 24, 2012

CINDY BALES ENGINEERING, INC.
Original Contractor

U.S. SPECIALTY INSURANCE COMPANY

By: *Cindy Bales*

By: *Mark D. Iatarola*
Its Attorney in Fact, MARK D. IATAROLA

Title: CINDY BALES, PRESIDENT
(If corporation, affix seal)



STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)
ACKNOWLEDGEMENT

SURETY'S

On _____, before me personally appeared person whose name is subscribed the name of said corporation thereto, and acknowledged that he subscribed the name of said corporation thereto, and his name as its attorney in fact.

Notary Public (SEAL)

NOTE: All signatures must be notarized.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

County of SAN DIEGO

On 9/24/2012 before me, MICHELLE M. BASUIL, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

personally appeared MARK D. IATAROLA
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.



Place Notary Seal Above

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 Michelle M. Basuil
Signature of Notary Public

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: PAYMENT BOND

Document Date: 9/24/2012 Number of Pages: 1

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: MARK D. IATAROLA

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

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____

Signer's Name: _____

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

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____

POWER OF ATTORNEY

AMERICAN CONTRACTORS INDEMNITY COMPANY UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

KNOW ALL MEN BY THESE PRESENTS: That American Contractors Indemnity Company, a California corporation, United States Surety Company, a Maryland corporation and U.S. Specialty Insurance Company, a Texas corporation (collectively, the "Companies"), do by these presents make, constitute and appoint:

John G. Maloney, Mark D. Iatarola or Helen Maloney of Escondido, California

its true and lawful Attorney(s)-in-fact, each in their separate capacity if more than one is named above, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed *****Ten Million***** Dollars (\$**10,000,000.00**).

This Power of Attorney shall expire without further action on March 18, 2015. This Power of Attorney is granted under and by authority of the following resolutions adopted by the Boards of Directors of the Companies:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, The Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 3rd day of October, 2011.

AMERICAN CONTRACTORS INDEMNITY COMPANY UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

Corporate Seals



By:

[Signature]
Daniel P. Aguilar, Vice President

State of California

County of Los Angeles SS:

On this 3rd day of October, 2011, before me, Deborah Reese, a notary public, personally appeared Daniel P. Aguilar, Vice President of American Contractors Indemnity Company, United States Surety Company and U.S. Specialty Insurance Company who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature 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

[Signature]

(Seal)



I, Jeannie Lee, Assistant Secretary of American Contractors Indemnity Company, United States Surety Company and U.S. Specialty Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Los Angeles, California this 24TH day of SEPTEMBER, 2012

Corporate Seals



Bond No. 1000957091
Agency No. 4013

[Signature]
Jeannie Lee, Assistant Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

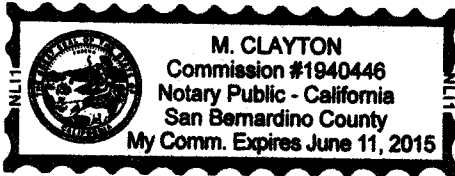
State of California

County of San Bernardino

On 9-25-12 before me, M. Clayton, notary public
Date Here Insert Name and Title of the Officer

personally appeared Cynthia Snyder Bales
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ ~~(State)~~ subscribed to the within instrument and acknowledged to me that he~~(s)~~/she~~(s)~~/they executed the same in his~~(s)~~/her~~(s)~~/their authorized capacity~~(ies)~~, and that by his~~(s)~~/her~~(s)~~/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: M. Clayton
Signature of Notary Public

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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: _____ Signer's Name: _____

Corporate Officer — Title(s): _____ Corporate Officer — Title(s): _____

Individual Individual

Partner — Limited General Partner — Limited General

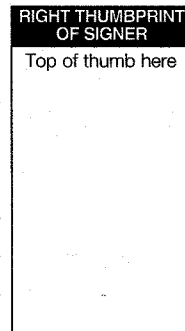
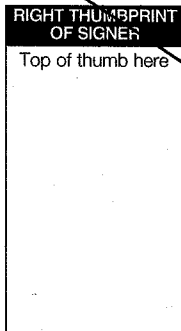
Attorney in Fact Attorney in Fact

Trustee Trustee

Guardian or Conservator Guardian or Conservator

Other: _____ Other: _____

Signer Is Representing: _____ Signer Is Representing: _____





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
09/28/12

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. 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).

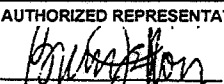
PRODUCER Silverstone Insurance Services Patton & Assoc Ins Svcs Inc P.O. Box 1200 (Lic #0C04829) Rancho Cucamonga, CA 91729-1200 Brent Jetton, AAI, CIC	909-980-4211 909-980-4785	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS:	FAX (A/C, No):
	INSURER(S) AFFORDING COVERAGE		NAIC #
INSURED Cindy Bales Engineering Inc. dba: Cindy Bales Electric P.O. Box 1600 Big Bear City, CA 92314	INSURER A: American Economy Insurance Co		19690
	INSURER B: Landmark American Ins. Co.		33138
	INSURER C: Everest National Insurance Co		10120
	INSURER D:		
	INSURER E:		
	INSURER F:		

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

SR	TYPE OF INSURANCE	ADD'L SUBR INSR	WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Owner/Cont Prot. GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			LHA136354	09/09/12	09/09/13	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 50,000
							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
								\$
	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			01CG989362-9	04/01/12	04/01/13	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			7600005172111	04/01/12	04/01/13	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
							E.L. EACH ACCIDENT	\$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
	Equipment Floater			01CG989362-6	04/01/12	04/01/13		

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
10 Day Notice for Non/Payment of Premium. RE: French Valley Airport, Runway and Taxiway Lighting Rehabilitation and AWOS III Upgrade. County, Mead & Associates, Inc., & their officers, employees & agents as additional insured as respects general liability per attached form# RSG15017 1207 with primary & non-contributory wording. Auto additional insured applies per attached form.

CERTIFICATE HOLDER CHADA01 Chad Davies EDA Aviation Division 5th Floor 3403 10th St., Ste 500 Riverside, CA 92501	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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This Endorsement Changes The Policy. Please Read It Carefully.

ADDITIONAL INSURED BLANKET – PRIMARY AND YOUR WORK

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE	
Name of Person or Organization:	Any person or organization to whom or to which you are obligated by virtue of a written contract or by the issuance or existence of a written permit, to provide insurance such as is afforded by this policy.

- 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 adverting 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; and/or “your work” defined for the additional insured(s) designated above included in the “products-completed operations hazard”.
- B. If you are required by a written contract to provide primary insurance, this policy shall be primary and **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, 4. Other Insurance** does not apply, but only with respect to coverage provided by this policy.

This endorsement effective: 09/09/12
forms part of Policy Number: LHA136354
issued to Cindy Bales Engineering Inc.
by Landmark American Insurance Company

Endorsement No:

RSG 15017 1207
(1185)

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COMMERCIAL AUTO
CA 71 10 03 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO PLUS 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.

EXTENDED CANCELLATION CONDITION

Paragraph 2.b. of the CANCELLATION Common Policy Condition is replaced by the following:

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

TEMPORARY SUBSTITUTE AUTO — PHYSICAL DAMAGE COVERAGE

Under paragraph C. — CERTAIN TRAILERS, MOBILE EQUIPMENT AND TEMPORARY SUBSTITUTE AUTOS of SECTION 1 — COVERED AUTOS, the following is added:

If Physical Damage coverage is provided by this Coverage Form, then you have coverage for:

Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its breakdown, repair, servicing, "loss" or destruction.

BROAD FORM NAMED INSURED

SECTION II — LIABILITY COVERAGE — A.1. WHO IS AN INSURED provision is amended by the addition of the following:

- d. Any business entity newly acquired or formed by you during the policy period provided you own 50% or more of the business entity and the business entity is not separately insured for Business Auto Coverage. Coverage is extended up to a maximum of 180 days following acquisition or formation of the business entity. Coverage under this provision is afforded only until the end of the policy period.

BLANKET ADDITIONAL INSURED

SECTION II — LIABILITY COVERAGE — A.1. WHO IS AN INSURED provision is amended by the addition of the following:

- e. Any person or organization for whom you are required by an "insured contract" to provide insurance is an "insured", subject to the following additional provisions:
 - (1) The "insured contract" must be in effect during the policy period shown in the Declarations, and must have been executed prior to the "bodily injury" or "property damage".
 - (2) This person or organization is an "insured" only to the extent you are liable due to your ongoing operations for that insured, whether the work is performed by you or for you, and only to the extent you are held liable for an "accident" occurring while a covered "auto" is being driven by you or one of your employees.
 - (3) There is no coverage provided to this person or organization for "bodily injury" to its employees, nor for "property damage" to its property.
 - (4) Coverage for this person or organization shall be limited to the extent of your negligence or fault according to the applicable principles of comparative negligence or fault.
 - (5) The defense of any claim or "suit" must be tendered by this person or organization as soon as practicable to all other insurers which potentially provide insurance for such claim or "suit".

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- (6) The coverage provided will not exceed the lesser of:
 - (a) The coverage and/or limits of this policy; or
 - (b) The coverage and/or limits required by the "insured contract".
- (7) A person's or organization's status as an "insured" under this subparagraph d ends when your operations for that "insured" are completed.

EMPLOYEE AS INSURED

Under Paragraph A. of Section II — LIABILITY COVERAGE item f. is added as follows:

Your "employee" while using his owned "auto", or an "auto" owned by a member of his or her household, in your business or your personal affairs, provided you do not own, hire or borrow that "auto". This coverage is excess to any other collectible insurance coverage.

FELLOW EMPLOYEE COVERAGE

Exclusion 5. FELLOW EMPLOYEE of SECTION II — LIABILITY COVERAGE — B. EXCLUSIONS is amended by the addition of the following:

However, this exclusion does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire, and provided that any coverage under this provision only applies in excess over any other collectible insurance.

BLANKET WAIVER OF SUBROGATION

We waive the right of recovery we may have for payments made for "bodily injury" or "property damage" on behalf of the persons or organizations added as "insureds" under Section II — LIABILITY COVERAGE — A.1.D. BROAD FORM NAMED INSURED and A.1.e. BLANKET ADDITIONAL INSURED.

PHYSICAL DAMAGE — ADDITIONAL TRANSPORTATION EXPENSE COVERAGE

The first sentence of paragraph A.4. of SECTION III — PHYSICAL DAMAGE COVERAGE is amended as follows:

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.

PERSONAL EFFECTS COVERAGE

A. SECTION III — PHYSICAL DAMAGE COVERAGE, A.4. COVERAGE EXTENSIONS, is amended by adding the following:

c. Personal Effects Coverage

For any Owned "auto" that is involved in a covered "loss", we will pay up to \$500 for "personal effects" that are lost or damaged as a result of the covered "loss", without applying a deductible.

EXTRA EXPENSE — BROADENED COVERAGE

Paragraph A. — COVERAGE of SECTION III — PHYSICAL DAMAGE COVERAGE is amended to add:

- 5. We will pay for the expense of returning a stolen covered "auto" to you.

AIRBAG COVERAGE

Under paragraph B. — EXCLUSIONS of SECTION III — PHYSICAL DAMAGE COVERAGE, the following is added:

The exclusion relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

NEW VEHICLE REPLACEMENT COST

Under Paragraph C — LIMIT OF INSURANCE of Section III — PHYSICAL DAMAGE COVERAGE section 2 is amended as follows:

- 2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total loss. However, in the event of a total loss to your "new vehicle" to which this coverage applies, as shown in the declarations, we will pay at your option:
 - a. The verifiable "new vehicle" purchase price you paid for your damaged vehicle, not including any insurance or warranties purchased;
 - b. The purchase price, as negotiated by us, of a new vehicle of the same make, model and equipment, not including any furnishings, parts or equipment not installed by the manufacturer or manufacturer's dealership. If the same model is not available pay the purchase price of the most similar model available;

- c. The market value of your damaged vehicle, not including any furnishings, parts or equipment not installed by the manufacturer or manufacturer's dealership.

This coverage applies only to a covered "auto" of the private passenger, light truck or medium truck type (20,000 lbs or less gross vehicle weight) and does not apply to initiation or set up costs associated with loans or leases.

TWO OR MORE DEDUCTIBLES

Under SECTION III — PHYSICAL DAMAGE COVERAGE, if two or more "company" policies or coverage forms apply to the same accident, the following applies to paragraph D. Deductible:

- a. If the applicable Business Auto deductible is the smaller (or smallest) deductible it will be waived; or
- b. If the applicable Business Auto deductible is not the smaller (or smallest) deductible it will be reduced by the amount of the smaller (or smallest) deductible; or
- c. If the loss involves two or more Business Auto coverage forms or policies the smaller (or smallest) deductible will be waived.

For the purpose of this endorsement "company" means:

- a. Safeco Insurance Company of America
- b. American States Insurance Company
- c. General Insurance Company of America
- d. American Economy Insurance Company
- e. First National Insurance Company of America
- f. American States Insurance Company of Texas
- g. American States Preferred Insurance Company
- h. Safeco Insurance Company of Illinois

LOAN/LEASE GAP COVERAGE

Under paragraph C — LIMIT OF INSURANCE of SECTION III — PHYSICAL DAMAGE COVERAGE, the following is added:

- 4. The most we will pay for a total "loss" in any one "accident" is the greater of the following, subject to a \$1,500 maximum limit:

- a. Actual cash value of the damaged or stolen property as of the time of the "loss", less an adjustment for depreciation and physical condition; or

- b. Balance due under the terms of the loan or lease that the damaged covered "auto" is subject to at the time of the "loss", less any one or all of the following adjustments:

- (1) Overdue payment and financial penalties associated with those payments as of the date of the "loss".
- (2) Financial penalties imposed under a lease due to high mileage, excessive use or abnormal wear and tear.
- (3) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease.
- (4) Transfer or rollover balances from previous loans or leases.
- (5) Final payment due under a "Balloon Loan".
- (6) The dollar amount of any un-repaired damage that occurred prior to the "total loss" of a covered "auto".
- (7) Security deposits not refunded by a lessor.
- (8) All refunds payable or paid to you as a result of the early termination of a lease agreement or any warranty or extended service agreement on a covered "auto".
- (9) Any amount representing taxes.
- (10) Loan or lease termination fees

GLASS REPAIR — WAIVER OF DEDUCTIBLE

Under paragraph D. — DEDUCTIBLE of SECTION III — PHYSICAL DAMAGE COVERAGE, the following is added:

No deductible applies to glass damage if the glass is repaired rather than replaced.

AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The requirement in LOSS CONDITION 2.a. — DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS — of SECTION IV — BUSINESS AUTO CONDITIONS that you must notify us of an

"accident" applies only when the "accident" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

SECTION IV — BUSINESS AUTO CONDITIONS — B.2. is amended by the addition of the following:

If you unintentionally fail to disclose any hazards existing at the inception date of your policy, we will not deny coverage under this Coverage Form because of such failure. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

HIRED AUTO — LIMITED WORLD WIDE COVERAGE

Under **Section IV — Business Conditions, Paragraph B.7.b.e(1)** is replaced by the following:

- (1) The "accident" or "loss" results from the use of an "auto" hired for 30 days or less.

RESULTANT MENTAL ANGUISH COVERAGE

SECTION V — DEFINITIONS — C. is replaced by the following:

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

HIRED AUTO PHYSICAL DAMAGE COVERAGE

If hired "autos" are covered "autos" for Liability coverage and if Comprehensive, Specified Causes of Loss or Collision coverages are provided under this Coverage Form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire or borrow.

The most we will pay for loss to any hired "auto" is \$50,000 or Actual Cash Value or Cost of Repair, whichever is smallest, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned "auto" of the private passenger or light truck type for that coverage. Hired Auto Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit,

deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

HIRED AUTO PHYSICAL DAMAGE COVERAGE — LOSS OF USE

SECTION III — PHYSICAL DAMAGE A.4.b. Form does not apply.

Subject to a maximum of \$1,000 per accident, we will cover loss of use of a hired "auto" if it results from an accident, you are legally liable and the lessor incurs an actual financial loss.

RENTAL REIMBURSEMENT COVERAGE

- A. We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of a covered "loss" to a covered "auto". Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductibles apply to this coverage.
- B. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:
 1. The number of days reasonably required to repair or replace the covered "auto". If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and return it to you.
 2. 30 days.
- C. Our payment is limited to the lesser of the following amounts:
 1. Necessary and actual expenses incurred.
 2. \$50 per day.
- D. This coverage does not apply while there are spare or reserve "autos" available to you for your operations.
- E. 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 for under the **PHYSICAL DAMAGE COVERAGE Coverage Extension**.
- F. The Rental Reimbursement Coverage described above does not apply to a covered "auto" that is described or designated as a covered "auto" on

the manufacturer for the installation of a radio.

AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE

A. Coverage

1. We will pay with respect to a covered "auto" for "loss" to any electronic equipment that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound. This coverage applies only if the equipment is permanently installed in the covered "auto" at the time of the "loss" or the equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto".
2. We will pay with respect to a covered "auto" for "loss" to any accessories used with the electronic equipment described in paragraph A.1. above.

However, this does not include tapes, records or discs.
3. If Audio, Visual and Data Electronic Equipment Coverage form CA 99 60 or CA 99 94 is attached to this policy, then the Audio, Visual and Data Electronic Equipment Coverage described above does not apply.

B. Exclusions

The exclusions that apply to PHYSICAL DAMAGE COVERAGE, except for the exclusion relating to Audio, Visual and Data Electronic Equipment, also apply to this coverage. In addition, the following exclusions apply:

We will not pay for either any electronic equipment or accessories used with such electronic equipment that is:

1. Necessary for the normal operation of the covered "auto" for the monitoring of the covered "auto's" operating system; or
2. Both:
 - a. an integral part of the same unit housing any sound reproducing equipment designed solely for the reproduction of sound if the sound reproducing equipment is permanently installed in the covered "auto"; and
 - b. permanently installed in the opening of the dash or console normally used by

C. Limit of Insurance

With respect to this coverage, the LIMIT OF INSURANCE provision of PHYSICAL DAMAGE COVERAGE is replaced by the following:

1. The most we will pay for "loss" to audio, visual or data electronic equipment and any accessories used with this equipment as a result of any one "accident" is the lesser of:
 - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
 - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
 - c. \$1,000.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of the "loss".
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

1. If "loss" to the audio, visual or data electronic equipment or accessories used with this equipment is the result of a "loss" to the covered "auto" under the Business Auto Coverage Form's Comprehensive or Collision Coverage, then for each covered "auto" our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" to audio, visual or data electronic equipment caused by fire or lightning.
2. If "loss" to the audio, visual or data electronic equipment or accessories used with this equipment is the result of a "loss" to the covered "auto" under the Business Auto Coverage Form's Specified Causes of Loss Coverage, then for each covered "auto" our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by a \$100 deductible.
3. If "loss" occurs solely to the audio, visual or data electronic equipment or accessories used with this equipment, then for each covered "auto" our obligation to pay for, repair,

return or replace damaged or stolen property will be reduced by a \$100 deductible.

4. In the event that there is more than one applicable deductible, only the highest deductible will apply. In no event will more than one deductible apply.

SECTION V — DEFINITIONS is amended by adding the following:

- Q. "Personal effects" means your tangible property that is worn or carried by you, except for tools, jewelry, money, or securities.
- R. "New vehicle" means any "auto" of which you are the original owner and the "auto" has not been previously titled and is less than 365 days past the purchase date.