

File No. 130497

Committee Item No. 1

Board Item No. 23

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Sub-Committee

Date: 07/17/2013

Board of Supervisors Meeting

Date: July 23, 2013

Cmte Board

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
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Completed by: Victor Young

Date: July 12, 2013

Completed by: Victor Young

Date: 7/18/13

AMENDED IN COMMITTEE

7/10/13

FILE NO. 130497

RESOLUTION NO.

1 [Emergency Contract - Southeast Water Pollution Control Plant at 750 Phelps Street - Not to
2 Exceed \$10,335,427]

3 **Resolution approving two emergency public work contracts of the San Francisco**
4 **Public Utilities Commission (SFPUC) under San Francisco Administrative Code Section**
5 **6.60, to replace the unstable roofs on six digesters and two biosolids storage cake bins**
6 **at the Southeast Water Pollution Control Plant at 750 Phelps Street with a contract**
7 **amount not to exceed \$10,335,427.**

8
9 WHEREAS, On November 26, 2012 and March 5, 2013, the SFPUC Wastewater
10 Enterprise (WWE) requested two separate emergencies be declared to replace the unstable
11 roofs first on one digester and subsequently on five additional digesters and two biosolids
12 storage cake-bins at the Southeast Water Pollution Control Plant (SEP) at 750 Phelps Street
13 San Francisco, CA due to the extremely deteriorating condition of the existing aged biosolids
14 treatment and handling facilities; and

15 WHEREAS, If the unstable roofs on the six digesters and two biosolids cake bins are
16 not replaced and expeditiously returned to service, the result may lead to the failure of key
17 treatment processes of which the SEP handles for 80% of the City, as well as the severe risk
18 to permit compliance, health and safety of plant personnel, and significant impacts to the
19 neighboring residential community, which would endanger the public's health and welfare; and
20
21
22

1 WHEREAS, San Francisco Administrative Code, Chapter 6, Article IV, Section 6.60,
2 authorizes department heads responsible for public work to award an emergency contract,
3 exempt from the competitive bidding process, in the event of an actual emergency which is
4 to include, " ... The breakdown or imminent breakdown of any plant, equipment, structure,
5 street or public work necessitating immediate emergency repair or reconditioning to safeguard
6 the lives or property of the citizens, or the property of the City and County, or to maintain the
7 public health and welfare ..."; and

8
9 WHEREAS, On November 27, 2012 and March 11, 2013, the SFPUC General
10 Manager declared two separate emergencies, approved by the President of the San
11 Francisco Public Utilities Commission, to replace the unstable roofs on first one digester and
12 subsequently five additional digesters and two biosolids storage cake bins at the SEP and
13 thereby protect public health and safety; and

14
15 WHEREAS, Administrative Code Section 6.60(D) requires that the General Manager
16 immediately notify the Controller, and seek Board of Supervisors approval of emergency
17 public works with an estimated cost in excess of \$250,000; and

18 WHEREAS, The SFPUC General Manager estimates that the emergency work to
19 replace the unstable roofs on six digesters and two biosolids storage cake bins at the SEP will
20 cost approximately \$10,335,427; and

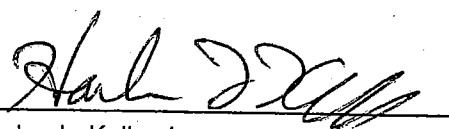
21
22 WHEREAS, The Controller defined has certified that funds are available for this
23 emergency work and contract; now, therefore, be it

24 RESOLVED, That the Board of Supervisors approves the emergency work under
25 Administrative Code Section 6.60, for the replacement of the unsound roofs on six digesters

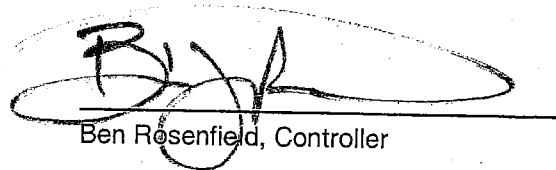
1 and two biosolids storage cake bins at SEP with a contract amount not to exceed
2 \$\$10,335,427; and, be it
3

4 FURTHER RESOLVED, That actions taken to date by the San Francisco Public
5 Utilities Commission to secure such emergency contracts and resolve the emergency
6 condition are hereby ratified.
7

8
9 RECOMMENDED:

10 
11 _____
12 Harlan L. Kelly, Jr.
13 General Manager
14 San Francisco Public Utilities Commission

FUNDS AVAILABLE:

15 
16 _____
17 Ben Rosenfield, Controller

Item 1
File 13-0497
(continued from July 10, 2013)

Department(s):
 Public Utilities Commission (PUC)

EXECUTIVE SUMMARY

Legislative Objectives

- The proposed resolution (File 13-0497) would approve the award of a sole-source contract to perform emergency repair work in accordance with Administrative Code Section 6.60 to replace unsound roofs on Digesters #4, #6, #7, #8, and #10 and two biosolids storage cake bins at the Southeast Water Pollution Control Plant (SEP), in an amount not to exceed \$9,000,000.

Key Points

- On November 26, 2012, the President of the PUC authorized an emergency declaration to repair the roof of another digester (Digester #2) at the SEP, after engineers discovered large amounts of sludge had damaged the roof. These repairs were completed in March of 2013. The Monterey Mechanical Company was awarded a contract by the PUC on a sole-source basis to perform the emergency repairs.
- On March 11, 2013, the President of the PUC issued another emergency declaration, this time to repair Digesters #4, #6, #7, #8, and #10 at the SEP, as well as two biosolids (human waste) storage cake bins. Again, the Monterey Mechanical Company was awarded a contract by the PUC on a sole-source basis to perform the emergency repairs.

Fiscal Impact

- The proposed resolution authorizes an award in an amount not exceed \$9,000,000, including an estimated \$8,250,000 to repair the five digesters and \$750,000 to repair the two biosolids storage cake bins at the SEP.
- The PUC has not submitted a separate emergency resolution to cover the \$1,335,427 cost of the emergency repairs to Digester #2 at the SEP.

Policy Considerations

- The SEP requires at least eight digesters to fully handle the City's wastewater treatment needs. One digester was destroyed during a roof collapse in 1997, and has never been replaced. As a result, the PUC has maintained only nine digesters for the last 16 years. Lack of planning to repair the SEP digesters on an ongoing basis appears to have resulted in the multiple subject emergency declarations and resulting sole source emergency contracts.

Recommendations

- On July 10, 2013, the Budget and Finance Committee amended the proposed resolution to authorize the PUC's Wastewater Enterprise to increase the authorized not-to-exceed emergency contract amount with the Monterey Mechanical Company by \$1,335,427 from a not-to-exceed \$9,000,000 to a not to exceed \$10,335,427 for the repairs of a total of six digesters and two storage cake bins.
- Approve the amended resolution, as previously amended.

MANDATE STATEMENT AND BACKGROUND**Mandate Statement**

In accordance with Administrative Code Section 6.60, an emergency contract awarded by a City department that exceeds \$250,000 requires approval by the Board of Supervisors. Administrative Code provisions also authorize department heads responsible for such emergency work to award and proceed with emergency contracts, which are not subject to the City's regular competitive bidding procedures. The Administrative Code defines an emergency as a sudden, unforeseeable and unexpected occurrence or a discovery of a condition involving a clear and imminent danger, demanding immediate action to prevent or mitigate loss or damage to, life, health, property or essential public services.

Background*Southeast Water Pollution Control Plant (SEP)*

The Southeast Water Pollution Control Plant (SEP), located at 750 Phelps Street in Bayview-Hunters Point, is a critical part of the Public Utilities Commission's (PUC) wastewater treatment system, as the SEP handles approximately two-thirds of the City's wastewater, before being released into the Bay.

According to the San Francisco Sewer System Master Plan issued by the PUC in 2010, the SEP was constructed in 1951, significantly upgraded in 1982, but has now outlived its operational usefulness and is in critical need of replacement. The entire plant is slated to be replaced under the PUC's proposed Biosolids Digester Facilities Projects (BDFP), which is anticipated to commence in 2018, at an estimated cost of \$1.186 billion. Just like the current SEP, the new BDFP will take wastewater and human waste and break it down into its least harmful components. Solid waste will be separated, with "grit" being disposed of in a landfill and organic waste converted into fertilizer for commercial use. The water separated from this waste will be treated and then released into the Bay. Gases that arise from breaking down the organic waste will be captured and used to power about one-half of the facility's energy needs.

Emergency Repairs at Digester #2

The SEP contains ten digesters, which are large storage tanks that are used to break down organic materials in the wastewater and then remove the bacteria that may pose a health risk to the public. According to PUC Senior Project Manager Jignesh Desai, Digester #5 was destroyed during a roof collapse in 1997, and has never been replaced. As a result, the PUC can only operate nine digesters at the SEP. According to Mr. Tommy Moala, Assistant General Manager of the PUC's Wastewater Enterprise, the SEP requires at least eight digesters for the plant to fully handle the City's wastewater treatment needs.

On November 26, 2012, engineers at the SEP noticed that the roof of one of the digesters (Digester #2) was corroded and that sludge¹ had accumulated on one side of the roof of the digester. The accumulation of sludge caused significant structural damage to the roof, causing it to warp and tilt to the side. Digester #2 was shut down and placed out-of-service in order to prevent the entire structure from collapsing. On November 27, 2012, the President of the PUC authorized an emergency declaration to repair the roof of Digester #2 at the SEP.

According to Mr. Moala, at the time Digester #2 was shutdown, there was one additional digester (Digester #3) at the SEP that had not been operational since August 14, 2012. At the time, the PUC was repairing Digester #3 under a previous work order contract with Southwest Construction Consultants. As a result, when Digester #2 was shut down, the SEP had only seven functioning digesters. According to Mr. Desai, seven digesters can only be used to temporarily handle the City's wastewater treatment needs. Mr. Desai advises that the repairs to Digester #3 were completed in June of 2013, returning eight digesters to full operation.

The repairs to Digester #2 were initially estimated to cost \$1,000,000. According to Mr. Carlos Jacobo, Budget Director for the PUC, the emergency repairs to Digester #2 began on November 28, 2012 and were completed by the Monterey Mechanical Company in March of 2013. The Monterey Mechanical Company was awarded a contract by the PUC on a sole-source basis to perform the emergency repairs because workers from this firm were already on-site at the SEP repairing corrosion damage at a neighboring dewatering facility². While initially estimated to cost \$1,000,000, the repairs to Digester #2 ended up costing a total of \$1,335,427, which was \$335,427 or approximately 34% more than the initial estimate.

Emergency Repairs at Five Digesters and Two Cake Bins

On March 11, 2013, the President of the PUC issued another emergency declaration, this time to repair Digesters #4, #6, #7, #8, and #10 at the SEP, as well as two biosolids (human waste) storage cake bins, which are large structures that hold dry waste until the dry waste can be picked up and used for fertilizer and other commercial uses.

In a memorandum from Mr. Moala to Mr. Art Torres, President of the PUC, Mr. Moala stated that these digesters and storage bins are "on the verge of catastrophic failure" due to corrosion on the roofs of five digesters (similar to those at Digester #2) and "severe corrosion" at the two storage cake bins. In addition, the PUC believes that the SEP is at great risk of violating State and Federal health and environmental regulations as a result of these corruptions. Mr. Moala also notes in his memorandum that the PUC Wastewater Enterprise has already received two permit violation notices from the Bay Area Air Quality Management District (BAAQMD) due to odors emanating from leaks in the storage cake bins and reaching residents in surrounding neighborhoods.

¹ Sludge refers to the semi-solid waste that must be treated and decontaminated before leaving the plant. Digesters act as a settling tank where sludge is exposed to bacteria and slowly broken down into less harmful parts, which are either landfilled or converted into fertilizer.

² A dewatering facility helps thicken sludge to reduce the amount that needs to be disposed. The water that remains is then treated and released into the Bay.

According to Mr. Jacobo, the Monterey Mechanical Company was again awarded a contract on a sole-source basis by the PUC to complete this SEP emergency work on Digesters #4, #6, #7, #8 and #10 and at the two storage cake bins, because (a) of the company's familiarity with the digesters and cake bins at the SEP, and (b) that the Company had recently completed successful repairs to Digester #2. On April 9, 2013, the Monterey Mechanical Company began making such emergency repairs on the remaining five digesters and two storage cake bins (beginning with Digester #8) under a contract not-to-exceed \$9,000,000.

According to Mr. Jignesh Desai, Senior Project Manager at the PUC, as of July 1, 2013, the Monterey Mechanical Company had completed removing 1.5 million gallons of undigested sludge and welded new metal plates onto the corroded area of the roof. According to Mr. Jacobo, the repairs to these five digesters and two storage cake bins are estimated to be completed in September, 2015. According to Mr. Moala, only one or two digesters can be repaired at a time, given the demand to keep multiple digesters operational to handle the City's wastewater treatment needs.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve the award of a sole-source contract to perform emergency repair work in accordance with Administrative Code Section 6.60 to replace the unsound roofs on five digesters, Digesters #4, #6, #7, #8, and #10 (not including the repairs at Digester #2) and the two biosolids storage cake bins at the Southeast Water Pollution Control Plant (SEP), in an amount not to exceed \$9,000,000.

FISCAL IMPACTS

Table 1 below contains an estimated expenditure schedule for completion of the requested emergency work to replace the roofs on the five digesters and two biosolids storage cake bins at a not to exceed cost of \$9,000,000.

Table 1: Estimated Expenditure Schedule for Digester and Cake Bin Repairs at the Southeast Water Pollution Control Plan

	April 2013 Sept 2013	Oct 2013 Mar 2014	April 2013 Sept 2014	Oct 2014 Mar 2015	April 2013 Sept 2015	Total
Digester 8	\$1,050,000					\$1,050,000
Digester 4		\$1,800,000				\$1,800,000
Digester 6			\$1,800,000			\$1,800,000
Digester 7				\$1,800,000		\$1,800,000
Digester 10					\$1,800,000	\$1,800,000
Subtotal						\$8,250,000
Cake Bins 3 & 4		\$750,000				\$750,000
Total	\$1,050,000	\$2,550,000	\$1,800,000	\$1,800,000	\$1,800,000	\$9,000,000

As shown in Table 1 above, the PUC estimates the cost to repair the five digesters will be \$8,250,000 and the two biosolids storage cake bins will be \$750,000, or a total estimated cost of \$9,000,000. The proposed resolution would approve the subject emergency contract in accordance with Administrative Code Section 6.60 for the needed emergency repair work to replace the five digesters and two biosolids cake bins at the SEP for a not to exceed amount of \$9,000,000.

POLICY CONSIDERATIONS

Inadequate Planning by the PUC Leading up to the Emergency Work Order

As noted above, Digester #5 was destroyed during a roof collapse in 1997. The PUC stated that Digester #5 was never replaced because of (a) budgetary pressures from the voter-approved water and sewer rate freeze passed in 1998, and (b) the PUC was optimistic that the SEP would be entirely replaced shortly after Digester #5 collapsed in 1997. The PUC is only now planning the replacement of the SEP, called the Biosolids Digester Facilities Project (BDFP) at an estimated cost of \$1.186 billion, which is not anticipated to be fully operational until August of 2023. There is a proposed resolution (File 13-0589) on the July 10, 2013 Budget and Finance Committee calendar authorizing the General Manager of the PUC to enter into a not-to-exceed \$80,000,000 agreement for ten years, from July 29, 2013 through July 28, 2023 with Brown and Caldwell, Inc. for planning and engineering services related to the construction of the BDFP for replacement of the Southeast Water Pollution Control Plant (SEP). As a result, the PUC has maintained only nine digesters at the SEP since 1997, or for the last 16 years. With only nine available digesters and a requirement that eight always be operational, since 1997 the PUC has been operating within a very thin margin of error in terms of wastewater safety at the SEP. In addition, as noted above, at the time Digester #2 was shut down on November 26, 2012, there was one additional digester (Digester #3) at the SEP that had not been operational since August 14, 2012. Such lack of planning to repair the SEP digesters on an ongoing basis appears to have resulted in the multiple subject emergency declarations and resulting sole source emergency contracts.

Proposed Resolution Does Not Cover the Total Cost of Executed Contracts

The proposed resolution did not include the emergency repairs to the SEP's Digester #2, which as discussed above, were also completed under a sole-source emergency contract with the Monterey Mechanical Company in March of 2013 at a cost of \$1,335,427. According to Mr. Jacobo, a separate emergency resolution has not been submitted to the Board of Supervisors for approval for the emergency repairs to Digester #2.

In accordance with the City's Administrative Code Section 6.60, an emergency contract awarded by a City department that exceeds \$250,000 requires approval by the Board of Supervisors.

Therefore, on July 10, 2013, the Budget and Finance Committee amended the proposed resolution to repair six digesters instead of five at the Southeast Water Pollution Control Plant and to increase the not-to-exceed amount of \$9,000,000 to repair six digesters and two biosolids cake bins by \$1,335,427 to a not-to-exceed amount of \$10,335,427, in order to account for the \$1,335,427 previously expended to repair Digester #2.

RECOMMENDATIONS

1. On July 10, 2013, the Budget and Finance Committee amended the proposed resolution to authorize the PUC's Wastewater Enterprise to increase the authorized not-to-exceed emergency contract amount with the Monterey Mechanical Company by \$1,335,427 from a not-to-exceed \$9,000,000 to a not to exceed \$10,335,427 for the repairs of a total of six digesters (instead of five digesters) and two storage cake bins.
2. Approve the proposed resolution, as previously amended.



**San Francisco
Water Power Sewer**
Services of the San Francisco Public Utilities Commission

525 Golden Gate Avenue, 13th Floor
San Francisco, CA 94102
T 415.554.3155
F 415.554.3161
TTY 415.554.3488

INTER-OFFICE MEMORANDUM

DATE: November 27, 2012

TO: The Honorable Art Torres
President, San Francisco Public Utilities Commission

THROUGH: Harlan L. Kelly, Jr. *Harlan Kelly*
General Manager

FROM: Tommy T. Moala *Tommy Moala*
Assistant General Manager, Wastewater Enterprise

SUBJECT: Declaration of Emergency: Repair Digester #2 Roof at Southeast Water Pollution Control Plant

On November 26, 2012, the SFPUC Wastewater Enterprise's Operations requested an emergency be declared to repair the Digester #2 roof at the Southeast Plant. During a routine inspection, the SFPUC Wastewater Enterprise's (WWE) Operations Staff observed that a large volume of sludge had accumulated on the metal roof of Digester #2. Further investigation revealed the presence of significant corrosion that had resulted in holes in the digester roof, allowing undigested sludge to flow to the top of the roof. The weight of the sludge caused an imbalance of the roof, which if not immediately corrected could result in a catastrophic failure of the entire digester.

At this time, Digester #2 is no longer functional and immediate repairs are required to maintain permit compliance. Coincidentally, Digester #3 is currently out of service for scheduled roof repair work to address corrosion. The failure of Digester #2 has left the WWE with only five active digesters and two storage digesters. A minimum of six active digesters are needed to ensure the appropriate level of treatment can be provided.

It is in the best interest of the City to declare an emergency for this work in order to mitigate the potential risks to the health and safety of facility personnel and surrounding Southeast Community.

This request for emergency declaration is for resources and materials to perform the work beyond the capabilities of the City forces as soon as possible for an estimated cost not-to-exceed \$1,000,000.

I am therefore declaring the existence of an emergency. I trust that this meets with your concurrence and approval.

- Edwin M. Lee
Mayor
- Art Torres
President
- Vince Courtney
Vice President
- Ann Moller Cahn
Commissioner
- Francesca Victor
Commissioner
- Anson Moran
Commissioner
- Harlan L. Kelly, Jr.
General Manager

CONCUR AND APPROVE:

Art Torres

Art Torres - President
San Francisco Public Utilities Commission





**San Francisco
Water Power Sewer**

Services of the San Francisco Public Utilities Commission

525 Golden Gate Avenue, 13th Floor
San Francisco, CA 94102
T 415.554.3155
F 415.554.3161
TTY 415.554.3488

INTER-OFFICE MEMORANDUM

DATE: March 11, 2013
 TO: The Honorable Art Torres
 President, San Francisco Public Utilities Commission
 THROUGH: Harlan L. Kelly, Jr. *Harlan Kelly*
 General Manager
 FROM: Tommy T. Moala *Tommy Moala*
 Assistant General Manager, Wastewater Enterprise
 SUBJECT: Declaration of Emergency: Repair Digester Roofs System and Biosolids
 Cake Bins at Southeast Water Pollution Control Plant

On March 5, 2013, the SFPUC Wastewater Enterprise (WWE) requested an emergency be declared to repair the unsound roofs on five digesters and two biosolids storage cake bins at the Southeast Treatment Plant (SEP). Due to the extremely deteriorated condition of the existing aged biosolids treatment and handling facilities at SEP, many necessary processes have failed and additional systems are on the verge of catastrophic failure due to severe corrosion. This situation has posed a severe risk to permit compliance, health and safety of plant personnel, and has caused significant impacts to the neighboring residential community.

At this time, Digesters 2, 3, and 8 are out of service due to failed roof systems and excessive grit in Digester 8. The recent failures have left the WWE essentially with only five active digesters and one storage digester. A minimum of six active digesters and two storage digesters are needed to ensure the appropriate level of treatment can be provided. A total of five digesters (Numbers 4, 6, 7, 8, and 10) roof systems have experienced severe corrosion, degrading their support systems and roof structures, and are on the verge of roof collapse. In addition, two biosolids cake storage bins have corroded so severely that odorous emissions of gases are escaping and causing an odor nuisance in the neighboring community. WWE has received five odor complaints that have been confirmed by Bay Area Air Quality Management District (BAAQMD). In addition, two permit violations notices were issued by BAAQMD in recent months for the Southeast Plant. Further confirmed odor complaints and notice of violation will place a severe burden administratively and/or fiduciary on WWE by BAAQMD along with an adverse public relations.

It is in the best interest of the City to declare an emergency for this work to repair the digester facility roofs in order to mitigate the potential risks to the health and safety of facility personnel, ensure permit compliance and protect the surrounding Southeast Community.

This request for emergency declaration is for resources and materials to perform the work beyond the capabilities of the City forces as soon as possible for an estimated cost not-to-exceed \$9,000,000.

I am therefore declaring the existence of an emergency. I trust that this meets with your concurrence and approval.

CONCUR AND APPROVE:

Art Torres

Art Torres — President
San Francisco Public Utilities Commission

Edwin R. Lee
Mayor

Art Torres
President

Vince Courtney
Vice President

Ann Blotter Egan
Commissioner

Francesca Vietor
Commissioner

Ancon Moran
Commissioner

Harlan L. Kelly, Jr.
General Manager



DOCUMENT 00520

AGREEMENT

THIS AGREEMENT is made for the convenience of the parties this 9th day of May, 2013 by and between Monterey Mechanical Co., located at 8275 San Leandro Street, Oakland, CA 94621 ("CONTRACTOR"), and the City and county of San Francisco, State of California (the "CITY"), acting through the General Manager (the "GENERAL MANAGER") of the San Francisco Public Utilities Commission (the "SFPUC"), under and by virtue of the Charter and Administrative Code of the City and County of San Francisco.

WHEREAS, on the 5th day of March, 2013 SFPUC Wastewater Enterprise Operations requested the declaration of an emergency to repair unsound roofs on five digesters and two bio-solid storage bins at the Southeast Water Pollution Control Plant;

WHEREAS, the CITY retained the CONTRACTOR to perform the emergency work described above; and

WHEREAS, the GENERAL MANAGER, in accordance with Section 6.60 of the San Francisco Administrative Code, declared an emergency on March 11, 2013 and the Declaration of Emergency was approved by the President of the San Francisco Public Utilities Commission on the same day, a copy of the Declaration is attached hereto; and

WHEREAS, on June 5, 2013 the SFPUC will seek approval for the Declaration of Emergency from the Board of Supervisors, pursuant to Section 6.60 of the San Francisco Administrative Code; and

WHEREAS, the CONTRACTOR began contract work on April 9, 2013 for:

**EMERGENCY REPAIRS OF SOUTHEAST WATER POLLUTION CONTROL PLANT
DIGESTERS 4, 6, 7, 8 AND CAKE BINS 3 AND 4
Contract No. WW-577(E) (Not-to-Exceed \$9,000,000)**

NOW, THEREFORE, CONTRACTOR, in consideration of the mutual covenants set forth in this AGREEMENT, promises and agrees to provide all services to construct the Project in accordance with the requirements of the Contract Documents, to perform the Work in good and workmanlike manner to the satisfaction of the GENERAL MANAGER, to prosecute the Work with diligence from day to day to Final Completion, to furnish all construction work, labor and materials to be used in the execution and completion of the Work in accordance with the Contract Documents, and to otherwise fulfill all of CONTRACTOR's obligations under the Contract Documents, as and when required under the Contract Documents to the satisfaction of the GENERAL MANAGER.

CONTRACTOR's execution of this AGREEMENT signifies its acceptance of the Contract Time and Contract Sum as being sufficient for completion of the Work, as well as acceptance of the other terms and conditions of the Contract Documents.

ARTICLE 1 - WORK

1.01 Contract Documents. CONTRACTOR shall Provide all Work according to the Contract Documents, which are incorporated into and made a part of this AGREEMENT by this reference, and all labor and materials used in providing the Work shall comply with the Contract Documents. The Contract Documents, which comprise the entire agreement between

CONTRACTOR and the CITY concerning the Provision of the Work, are defined in the General Conditions (Document 00700). Any undefined term used in this AGREEMENT shall be given the definition set forth in the General Conditions (Document 00700).

- 1.02 Contractor's General Responsibilities. CONTRACTOR shall provide a fully functional, complete and operational Project constructed in accordance with the Contract Documents, including but not limited to, all investigations, analyses, surveys, engineering, procurement, materials, labor, workmanship, construction and erection, commissioning, equipment, shipping, subcontractors, material suppliers, permits, insurance, bonds, fees, taxes, duties, documentation, spare parts, materials for initial operation, security, disposal, startup, testing, training, warranties, guarantees, and all incidentals.
- 1.03 Compliance with Laws.
- A. CONTRACTOR shall keep itself fully informed of and comply with the Charter, ordinances and regulations of the CITY and other local agencies having jurisdiction over the Work, and all federal and state laws and regulations in any manner affecting the Contract Documents, the performance of the Work, or those persons engaged therein.
 - B. All construction and materials provided under the Contract Documents shall be in full accordance with the latest laws and requirements, or the same as may be amended, updated or supplemented from time to time, of the Code specified in the Contract Documents, Americans with Disability Act Accessibility Guidelines, CAL-OSHA, the State Division of Industrial Safety of the Department of Industrial Relations, the Division of the State Architect – Access Compliance, the Public Utilities Commission of the State of California, the State Fire Marshal, the National Fire Protection Association, the San Francisco Department of Public Health, state and federal laws and regulations, and of other bodies or officials having jurisdiction or authority over same, and they shall be observed and complied with by CONTRACTOR and any and all persons, firms and corporations employed by or under it.
 - C. Authorized persons may at any time enter upon any part of the Work to ascertain whether such laws, ordinances, regulations or orders are being complied with.
 - D. No additional costs will be paid or extensions of time granted as a result of such compliance.

ARTICLE 2 - CONTRACT TIME

- 2.01. Completion Dates. The Work shall be Substantially Complete within 730 days, beginning with and including the official date of Notice to Proceed as established by the GENERAL MANAGER, and Finally Complete in accordance with Article 9 of the General Conditions (Document 00700) within 90 consecutive calendar days after the date the CITY issues a Notice of Substantial Completion.
- 2.02. Shutdown Dates. Contractor shall complete all tie-in and shutdown related work during the City approved shutdown periods specified in Document 00802. Contractor shall commence tie-in/shutdown related work on or after the City-approved shutdown date and shall complete such Work within the time periods specified in Document 00802.
- 2.03. Liquidated Damages. It is understood and agreed by and between CONTRACTOR and the CITY that time is of the essence in all matters relating to the Contract Documents and that the CITY will suffer financial loss if the Work is not completed within the above-stated Contract Times, plus any extensions thereof allowed in accordance with Article 7 of the General Conditions

(Document 00700). The CITY and CONTRACTOR further understand and agree that the actual cost to CITY which would result from CONTRACTOR's failure to complete the Work within the Contract Time is extremely difficult, if not impossible, to determine. Accordingly, CONTRACTOR and the CITY agree that as liquidated damages for delay (but not as a penalty), CONTRACTOR shall pay the CITY the amounts set forth in Document 00802 (Contract Time and Liquidated Damages) for each calendar day that expires after the above Contract Times and the Work remains incomplete.

ARTICLE 3 – CONTRACT SUM

3.01 Contract Sum.

A. CONTRACTOR and the CITY agree that, upon performance and fulfillment of the mutual covenants set forth herein, the CITY will, in the manner provided by law and as set forth in the Contract Documents, pay or cause to be paid to CONTRACTOR the following price(s), as indicated in the bid items in the quote submitted by CONTRACTOR and Applications for Payment (Section 01027):

1. Lump sums for specified portions of the Work.
3. The allowance(s) specified.

Total awarded contract amount: Not-to-Exceed Nine Million Dollars and no/100 (Not-to-Exceed \$9,000,000)

The price(s) and amount set forth above shall be adjusted during performance or upon final completion of the Work in accordance with the Contract Documents.

B. CONTRACTOR understands and agrees that the CONTRACTOR shall be solely responsible for providing all resources that may be necessary to provide the Work, and that the CITY shall have no obligation whatsoever to finance any part of such costs except with respect to those amounts which become due under the terms and conditions of the Contract Documents.

3.02. Certification by Controller. This AGREEMENT is subject to the budget and fiscal provisions of the CITY's Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of the CITY's obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization.

ARTICLE 4 – LABOR REQUIREMENTS

4.01 Applicable Laws and Agreements. Compensation and working conditions for labor performed or services rendered under this AGREEMENT shall be in accordance with the Contract Documents, the San Francisco Charter, and applicable sections of the San Francisco Administrative Code, including section 6.22(E).

4.02 Prevailing Wages. The latest Wage Rates for Private Employment on Public Contracts as determined by the San Francisco Board of Supervisors and the Director of the California Department of Industrial Relations, and, when federal funds are involved, the current General Wage Determination Decisions, as determined by the U.S. Secretary of Labor, as same may be changed during the term of this AGREEMENT, shall be included in this AGREEMENT and are hereby incorporated by this reference. CONTRACTOR agrees that any person performing labor in the provision of the Work shall be paid not less than the highest general prevailing rate of wages as so determined. If federal funds are involved, where the minimum rate of pay for any classification differs among State, City and Federal wage rate determinations, the highest of the three rates of pay shall prevail. CONTRACTOR shall include, in any contract or subcontract

relating to the Work, a requirement that all persons performing labor under such contract or subcontract shall be paid not less than the highest prevailing rate of wages for the labor so performed. CONTRACTOR shall require any contractor to provide, and shall deliver to CITY every month during any construction period, certified payroll reports with respect to all persons performing labor in the Provision of the Work.

- A. Copies of the latest prevailing wage rates are on file at the San Francisco Public Utilities Commission, City and County of San Francisco, Contract Administration Bureau, 525 Golden Gate Avenue, 8th Floor, San Francisco, CA 94102.

4.03 Penalties. CONTRACTOR shall forfeit to the CITY back wages due plus fifty dollars (\$50.00) for:

- A. Each laborer, workman, or mechanic employed in the provision of the Work, for each calendar day or portion thereof during which such laborer, workman, or mechanic is not paid the highest general prevailing rate of wage for the work performed; or
- B. Each laborer, mechanic or artisan employed in the provision of the Work, for each calendar day or portion thereof during which such laborer, mechanic or artisan is compelled or permitted to work for a longer period than five days (Monday-Friday) per calendar week of eight hours each, and not compensated in accordance with the prevailing overtime standard and rate.

ARTICLE 5 – INDEMNITY

5.01 To the fullest extent permitted by law, and consistent with California Civil Code section 2782, the CONTRACTOR shall assume the defense of, indemnify and hold harmless the CITY, its boards and commissions, other parties designated in Document 00805, and all of their officers, agents, members, employees, authorized representatives, or any other persons deemed necessary by any of them acting within the scope of the duties entrusted to them, from all claims, suits, damages, actions, losses and liabilities of every kind, nature and description, including but not limited to attorney's fees, directly or indirectly arising out of, connected with or resulting from the performance or nonperformance of the Work. The liability of CONTRACTOR shall not be limited to the amount of insurance coverages required under the Contract Documents. This indemnification shall not be valid in the instance where the loss is caused by the sole negligence or intentional tort of any person indemnified herein.

ARTICLE 6 – RIGHTS AND REMEDIES

6.01 General. The provisions of the Contract Documents shall not limit the duties, obligations, rights and remedies otherwise imposed or available by law or in equity. No action or failure to act shall in any way abridge the rights and obligations of the Parties to the Contract Documents, or condone a breach thereunder, unless expressly agreed to by the Parties in writing. All remedies provided in the Contract Documents shall be taken and construed as cumulative; that is, in addition to each and every other remedy herein provided, the CITY shall have any and all equitable and legal remedies that it would in any case have.

6.02 No Waiver. No waiver of any breach of any provision of the Contract Documents shall be held to be a waiver of any other or subsequent breach. The only waiver by the CITY shall be a waiver in writing that explicitly states the item or right being waived.

- 6.03 CITY's Remedies for False Claims and Other Violations. The Contractor or any Subcontractor or Supplier who fails to comply with the terms of this AGREEMENT, who violates any provision of Chapter 6 of the Administrative Code or rules and regulations adopted per that Chapter, who submits false claims, or who violates against any governmental entity a civil or criminal law relevant to its ability to perform under or comply with the terms and conditions of the AGREEMENT, may be subject to monetary penalties and may be declared an irresponsible bidder and debarred by operation of statute. (San Francisco Administrative Code section 6.80, et seq.) The Contractor shall include in each subcontract and purchase order for Work a clause incorporating the provisions of this Paragraph 6.03.

ARTICLE 7 – RESOLUTION OF CONFLICTING TERMS

- 7.01 The Contract Documents and any other agreements between the Parties relating to the Project are intended to be read together and integrated as a whole, and shall be construed and interpreted in a manner so as to avoid any conflicts to the extent possible. Supplementary provisions in the Contract Documents shall not be deemed to be in conflict. It is expressly agreed by and between CONTRACTOR and the CITY that should there be any conflict between the terms of this AGREEMENT and the Bid of CONTRACTOR, then this AGREEMENT shall control and nothing herein shall be considered as an acceptance of any terms of the Bid which conflict with this AGREEMENT.

ARTICLE 8 – GOVERNING LAW AND VENUE

- 8.01 Governing Law. The Contract Documents shall be interpreted in accordance with the laws of the State of California and the provisions of the CITY's Charter and Administrative Code, including but not limited to Chapter 6 of the San Francisco Administrative Code, which is incorporated by this reference as if set forth herein in full.

- 8.02 Venue. All Claims, counter-claims, disputes and other matters in question between the CITY and CONTRACTOR arising out of or relating to this AGREEMENT or its breach will be decided by a court of competent jurisdiction within the State of California.

ARTICLE 9 – NOTICES TO PARTIES

- 9.01 Unless otherwise indicated in the Contract Documents, all written communications sent by the Parties may be by U.S. mail, e-mail or by fax, and shall be addressed as follows:

To CITY: Contact the designated City Representative

To CONTRACTOR: Monterey Mechanical Co.
(Contractor's name)

8275 San Leandro Street, Oakland, CA 94621
(Contractor's mailing address)

j.troup@montmech.com
(Contractor's e-mail address)

(510) 632-0761
(Contractor's fax no.)

- 9.02 From time to time, the parties may designate new address information by notice in writing, delivered to the other Party.
- 9.03 The delivery to CONTRACTOR at the legal address listed above, as it may be amended upon written notice, or the depositing in any post office or post office box regularly maintained by the United States Postal Service in a postage paid wrapper directed to CONTRACTOR at such address, of any drawing, notice, letter or other communication shall be deemed legal and sufficient service thereof upon CONTRACTOR.

ARTICLE 10 – PROPRIETARY OR CONFIDENTIAL INFORMATION OF CITY

10.01 CONTRACTOR understands and agrees that, in the performance of the Work under this AGREEMENT or in contemplation thereof, CONTRACTOR may have access to private or confidential information which may be owned or controlled by CITY and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to CITY. CONTRACTOR agrees that all information disclosed by CITY to CONTRACTOR shall be held in confidence and used only in performance of the AGREEMENT. CONTRACTOR shall exercise the same standard or care to protect such information as a reasonably prudent contractor would use to protect its own proprietary data.

ARTICLE 11 – TERMINATION

11.01 This AGREEMENT and the other Contract Documents shall terminate when all obligations required to be performed by CONTRACTOR and the CITY have been fulfilled, unless sooner terminated as set forth in Article 14 of the General Conditions (Document 00700).

[Emergency Contracts Only]

Executed on May 14, 2013

(510) 636-4335

Telephone Number

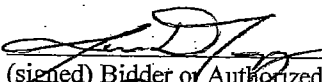
058846

S.F. Business Tax Registration

Certificate Number

Monterey Mechanical Co.

Name of Firm or Corporation



(signed) Bidder or Authorized Representative

PRESIDENT

Position in Firm or Corporation

8275 San Leandro Street, Oakland, CA 94621

Address of Firm or Corporation Zip Code

388361

Contractor's California License No.

3/31/2014

License Expiration Date

IN WITNESS WHEREOF, the CONTRACTOR and the CITY have hereunto set their hands and seals, and have executed this AGREEMENT in duplicate, the day and year first above written.

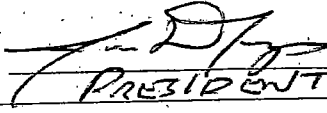
CONTRACTOR:

By my signature hereunder, as CONTRACTOR, I certify that I have read and understand the section captioned MacBride Principles – Northern Ireland including in Document 00822, the CITY's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.

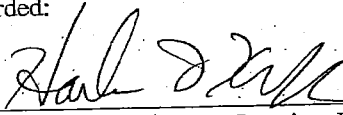
I further certify that I am aware of the provisions of section 3700 of the Labor Code which require

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.

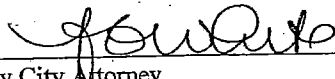
Monterey Mechanical Co.
Principal

By: 
Title

CITY
Awarded:

By: 
General Manager, San Francisco Public Utilities
Commission

Approved as to form:
DENNIS J. HERRERA
City Attorney

By: 
Deputy City Attorney

END OF DOCUMENT



**San Francisco
Water Power Sewer**

Services of the San Francisco Public Utilities Commission

525 Golden Gate Avenue, 13th Floor
San Francisco, CA 94102
T 415.554.3155
F 415.554.3161
TTY 415.554.3488

INTER-OFFICE MEMORANDUM

DATE: March 11, 2013

TO: The Honorable Art Torres
President, San Francisco Public Utilities Commission

THROUGH: Harlan L. Kelly, Jr. *Harlan Kelly*
General Manager

FROM: Tommy T. Moala *Tommy Moala*
Assistant General Manager, Wastewater Enterprise

SUBJECT: Declaration of Emergency: Repair Digester Roofs System and Biosolids
Cake Bins at Southeast Water Pollution Control Plant

On March 5, 2013, the SFPUC Wastewater Enterprise (WWE) requested an emergency be declared to repair the unsound roofs on five digesters and two biosolids storage cake bins at the Southeast Treatment Plant (SEP). Due to the extremely deteriorated condition of the existing aged biosolids treatment and handling facilities at SEP, many necessary processes have failed and additional systems are on the verge of catastrophic failure due to severe corrosion. This situation has posed a severe risk to permit compliance, health and safety of plant personnel, and has caused significant impacts to the neighboring residential community.

At this time, Digesters 2, 3, and 8 are out of service due to failed roof systems and excessive grit in Digester 8. The recent failures have left the WWE essentially with only five active digesters and one storage digester. A minimum of six active digesters and two storage digesters are needed to ensure the appropriate level of treatment can be provided. A total of five digesters (Numbers 4, 6, 7, 8, and 10) roof systems have experienced severe corrosion, degrading their support systems and roof structures, and are on the verge of roof collapse. In addition, two biosolids cake storage bins have corroded so severely that odorous emissions of gases are escaping and causing an odor nuisance in the neighboring community. WWE has received five odor complaints that have been confirmed by Bay Area Air Quality Management District (BAAQMD). In addition, two permit violations notices were issued by BAAQMD in recent months for the Southeast Plant. Further confirmed odor complaints and notice of violation will place a severe a burden administratively and/or fiduciary on WWE by BAAQMD along with an adverse public relations.

It is in the best interest of the City to declare an emergency for this work to repair the digester facility roofs in order to mitigate the potential risks to the health and safety of facility personnel, ensure permit compliance and protect the surrounding Southeast Community.

This request for emergency declaration is for resources and materials to perform the work beyond the capabilities of the City forces as soon as possible for an estimated cost not-to-exceed \$9,000,000.

I am therefore declaring the existence of an emergency. I trust that this meets with your concurrence and approval.

CONCUR AND APPROVE:

Art Torres
Art Torres — President
San Francisco Public Utilities Commission

- Edwin M. Lee
Mayor
- Art Torres
President
- Vince Courtney
Vice President
- Ann Moller Cuen
Commissioner
- Francesca Vietor
Commissioner
- Anson Moran
Commissioner
- Harlan L. Kelly, Jr.
General Manager



DOCUMENT 00610

Bond No. 070-016-077
Premium \$72,870.00

PERFORMANCE BOND AND PAYMENT (LABOR & MATERIALS) BOND

KNOW ALL MEN BY THESE PRESENTS, that WHEREAS, the San Francisco Public Utilities Commission of the City and County of San Francisco, State of California, has awarded to:

Monterey Mechanical Co., located at 8275 San Leandro Street, Oakland, CA 94621
hereinafter designated as the "Principal", a Contract for:

**EMERGENCY REPAIRS OF SOUTHEAST WATER POLLUTION CONTROL PLANT
DIGESTERS 4, 6, 7, 8 AND CAKE BINS 3 AND 4
Contract No. WW-577(E) (Not-to-Exceed \$9,000,000)**

WHEREAS, said Principal is required under the terms of said Contract to furnish a Bond for the faithful performance of said Contract; and to furnish a separate Bond for the payment of any materials, provisions, or other supplies, used in, upon, for or about the performance of the Work contracted to be done;

NOW, THEREFORE, we the Principal and

Liberty Mutual Insurance Company

as Surety, are firmly bound unto the City and County of San Francisco in the penal sum of

(PERFORMANCE BOND)
Nine Million and No/100-----Dollars
\$9,000,000.00

and

(PAYMENT BOND)
Nine Million and No/100-----Dollars
\$9,000,000.00

lawful money of the United States for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents for the penal sum for a performance bond and an equal and separate penal sum for a separate payment bond. The conditions of this obligation is such that if the said principal does well and faithfully performs all the conditions and covenants of said Contract, according to the true intent and meaning thereof, upon its part to be kept and performed, then the above obligation is to be null and void, otherwise to remain in full force and effect.

(PERFORMANCE BOND)

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the said Contract, including the provisions for liquidated damages in the said Contract, any changes, additions or alterations thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City and County of San Francisco, its officers and agents, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

(PAYMENT BOND)

THE CONDITION OF THIS OBLIGATION IS SUCH, that if said principal, its heirs, executors, administrators, successors or assigns, or its subcontractor or subcontractors, shall fail to pay for any materials, provisions, or other supplies, used in, upon, for or about the performance of the Work contracted to be done, or for any work or labor thereon of any kind, or for amounts due the Unemployment Insurance Act with respect to such work or labor, then the surety of this Bond will pay for same, in an amount not exceeding the sum specified in this Bond, and in case suit is brought upon this Bond will also pay a reasonable attorney's fee, to be fixed by the Court.

This Bond shall inure to the benefit of any and all persons, companies, corporations, political subdivisions and state agencies, entitled to file claims under the provisions of California Civil Code section 3247 et seq.

And the said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the Work to be performed thereunder or the Specifications accompanying the same and no inadvertent overpayment of progress payments shall in any way affect its obligations on these Bonds, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the Work or to the Specifications or of any inadvertent overpayment of progress payments.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their seal this 29th day of March, 2013, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Approved as to form:
Dennis J. Herrera
City Attorney

By: [Signature]
Deputy City Attorney

Principal
Monterey Mechanical Co.

By: [Signature] James D. Troup, President
Liberty Mutual Insurance Company

Surety

By: [Signature]
Betty L. Tolentino, Attorney-in-Fact

END OF DOCUMENT

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

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

Certificate No. 5695366

American Fire and Casualty Company
The Ohio Casualty Insurance Company

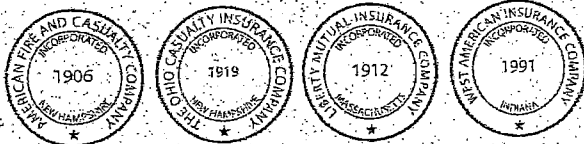
Liberty Mutual Insurance Company
West American Insurance Company

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"); pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Betty L. Tolentino; Brian F. Cooper; J. M. Albadia; Janet C. Rojo; K. Zerounian; Kevin Re; M. Moody; Maureen O'Connell; Robert Wrixon; Susan Hecker; Virginia L. Black

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

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 12th day of December, 2012



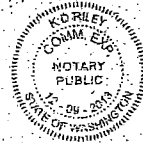
American Fire and Casualty Company
The Ohio Casualty Insurance Company
Liberty Mutual Insurance Company
West American Insurance Company

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

STATE OF WASHINGTON ss
COUNTY OF KING

On this 12th day of December, 2012, before me personally appeared Gregory W. Davenport, who acknowledged himself to be the Assistant Secretary of American Fire and Casualty Company, Liberty Mutual Insurance Company, The Ohio Casualty Insurance Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

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



By: KD Riley
KD Riley, Notary Public

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

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

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

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

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

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

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 29th day of March, 2013



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

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

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

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

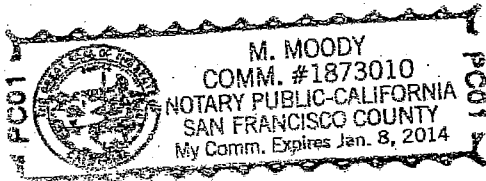
County of San Francisco

March 29, 2013 before me M. Moody, Notary Public

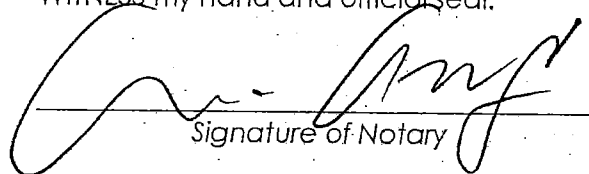
personally appeared Betty L. Tolentino

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 of Notary

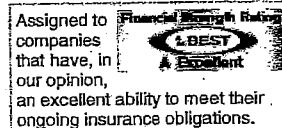
[Print this page](#) (?)

Liberty Mutual Fire Insurance Company

A.M. Best #: 002282 NAIC #: 23035 FEIN #: 041924000

Address: 175 Berkeley Street
Boston, MA 02117
United States

Web: www.LibertyMutualGroup.com
Phone: 617-357-9500
Fax: 617-574-5955



Based on A.M. Best's analysis, 051114 - [Liberty Mutual Holding Company Inc.](#) is the AMB Ultimate Parent and identifies the topmost entity of the corporate structure. View a list of [operating insurance entities](#) in this structure.

Best's Credit Ratings

View all of the [companies](#) assigned this rating as a part of an [AMB Rating Unit](#).

Financial Strength Rating	View Definition
Rating:	A (Excellent)
Financial Size Category:	XV (\$2 Billion or greater)
Outlook:	Stable
Action:	Affirmed
Effective Date:	July 26, 2012
Initial Rating Date:	June 30, 1920
u Denotes Under Review Best's Rating	

Best's Credit Rating Analyst

Office: A.M. Best Company, Oldwick NJ
Senior Financial Analyst: W. Dolson Smith, Ph.D., CFA
Assistant Vice President: Michael J. Lagomarsino, CFA

Long-Term Issuer Credit Rating	View Definition
Long-Term:	a
Outlook:	Stable
Action:	Affirmed
Effective Date:	July 26, 2012
Initial Rating Date:	January 25, 2006

Reports and News

Visit Best's News and Analysis site for the latest [news](#) and [press releases](#) for this company and its A.M. Best Group.



AMB Credit Report - Insurance Professional - includes Best's Financial Strength Rating and rationale along with comprehensive analytical commentary, detailed business overview and key financial data.
Report Revision Date: 5/28/2013 (represents the latest significant change).



Historical Reports are available in [AMB Credit Report - Insurance Professional Archive](#).



Best's Executive Summary Reports (Financial Overview) - available in three versions, these presentation style reports feature balance sheet, income statement, key financial performance tests including profitability, liquidity and reserve analysis.

Data Status: 2013 Best's Statement File - P/C, US Contains data compiled as of 5/23/2013 Quality Cross Checked.

- **Single Company** - five years of financial data specifically on this company.
- **Comparison** - side-by-side financial analysis of this company with a peer group of up to five other companies you select.
- **Composite** - evaluate this company's financials against a peer group composite. Report displays both the average and total composite of your selected peer group.



Best's Key Rating Guide Presentation Report - includes Best's Financial Strength Rating and financial data as provided in the most current edition of Best's Key Rating Guide products. (Quality Cross Checked).

Financial and Analytical Products

[Best's Insurance Reports - Online - P/C, US & Canada](#)

[Best's Key Rating Guide - P/C, US & Canada](#)

[Best's Statement File - P/C, US](#)

[Best's Executive Summary Report - Composite - Property/Casualty](#)

[Best's Executive Summary Report - Comparison - Property/Casualty](#)

[Best's Statement File - Global](#)

[Best's Regulatory Center Market Share Reports](#)

[Best's State Line - P/C, US](#)

[Best's Corporate Changes and Retirements - P/C, US/CN](#)

[Best's Insurance Expense Exhibit \(IEE\) - P/C, US](#)

[Best's Schedule P \(Loss Reserves\) - P/C, US](#)

[Best's Regulatory Center](#)

[Best's Schedule D \(Corporate Bonds\) - US](#)

[Best's Schedule D \(Common Stocks\) - US](#)

[Best's Schedule D \(Municipal Bonds\) - US](#)



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COMPANY PROFILE

Company Information

LIBERTY MUTUAL INSURANCE COMPANY

**175 BERKELEY ST
BOSTON, MA 02116
800-526-1547**

Old Company Names

Effective Date

Agent For Service

KAREN HARRIS
C/O CORPORATION SERVICE COMPANY
2710 GATEWAY OAKS DRIVE, SUITE 150N
SACRAMENTO CA 95833-3505

Reference Information

NAIC #:	23043
California Company ID #:	1022-3
Date Authorized in California:	08/30/1929
License Status:	UNLIMITED-NORMAL
Company Type:	Property & Casualty
State of Domicile:	MASSACHUSETTS

back to top

NAIC Group List

NAIC Group #: 0111 LIBERTY MUT GRP

Lines Of Business

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

- AIRCRAFT
- AUTOMOBILE
- BOILER AND MACHINERY
- BURGLARY
- COMMON CARRIER LIABILITY
- CREDIT
- DISABILITY
- FIRE
- LIABILITY



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/25/2013

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 LIC #0726293 Gallagher Construction Services/ Arthur J. Gallagher & Co. Insurance Brokers of CA Inc. 1 Market St., Spear Tower #200 San Francisco, CA 94105	1-415-391-1500	CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL: ADDRESS:
INSURED Monterey Mechanical Co. 8275 San Leandro Street Oakland, CA 94621		INSURER(S) AFFORDING COVERAGE
		INSURER A: OLD REPUBLIC INS CO
		INSURER B: ST PAUL FIRE & MARINE INS CO
		INSURER C: GREAT AMER E&S INS CO
		INSURER D:
		INSURER E:
		INSURER F:

COVERAGES

CERTIFICATE NUMBER: 33263150

REVISION NUMBER:

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.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR Y/N	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	X	X	MWZY60077	04/01/13	04/01/14	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
							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	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	X	X	MWTB21890	04/01/13	04/01/14	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
B	UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$	X	X	ZUP-14P99453-13-NF	04/01/13	04/01/14	EACH OCCURRENCE	\$ 10,000,000
							AGGREGATE	\$ 10,000,000
								\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		X	MWC11818100	04/01/13	04/01/14	WC STATUTORY LIMITS	<input checked="" type="checkbox"/>
							EL EACH ACCIDENT	\$ 1,000,000
							EL DISEASE - EA EMPLOYEE	\$ 1,000,000
							EL DISEASE - POLICY LIMIT	\$ 1,000,000
C	Professional/Pollution	X		PCE 3948930 01	04/01/13	04/01/14	PL: Ea. Clm/Agg.	3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

MMC-Job #11-1319 / Client Job #WW-577 (E)
RE: Emergency Repair SEWPCP Digesters 4,6,7,8 and Cake Bins 3 and 4
ADDITIONAL INSURED(S): The City and County of San Francisco, its board members and commissions, and all authorized agents and representatives and members, directors, officers, trustees, agents and employees of any of them
Additional Insured(s) applies to General Liability, Auto Liability and Pollution Liability coverage per attached endorsement.

CERTIFICATE HOLDER

MMC Job #11-1319 / Client Job #WW-577 (E)
San Francisco Public Utilities Commission
Attn: Contract Administration Bureau
525 Golden Gate Avenue, 8th Floor
San Francisco, CA 94102
USA

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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ACORD 25 (2010/05)
ranshargcs
33263150

The ACORD name and logo are registered marks of ACORD

Policy Number: **MWTB21890**

Effective Date: **04/01/13**

IL 10 (12/06) OLD REPUBLIC INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

Under **SECTION IV**, Paragraph **A. 5.** is replaced by the following:

We waive our right of recovery against any person or organization to the extent required by a written contract, executed prior to any "accident". The accident must arise from operations contemplated in said contract and this waiver is only applicable to the person or organization designated in said contract.

PCA 044 04 06

Monterey Mechanical Co.

Policy# MWTB21890 Effective Date: 04/01/13

IL 10 (12/06) OLD REPUBLIC INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BROAD FORM NAMED INSURED ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

It is agreed that throughout this Policy the words "you" and "your" refer to the Named Insured shown in the Declarations and any business entity in which the Named Insured shown in the Declarations owns, during the Policy Period, an interest of more than 50 percent. If other valid and collectible insurance is available to any business entity covered by this policy solely by reason of ownership by the Named Insured shown in the Declarations in excess of 50 percent, this insurance is excess over the other insurance, whether primary, excess, contingent, or on any other basis.

PCA 038 04 06

Policy Number: MWTB21890
Effective Date: 04/01/13

IL 10 (12/06) OLD REPUBLIC INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

SCHEDULE

Designated Person(s) or Organization(s): **All persons or organizations where required by written contract.**

WHO IS AN INSURED (SECTION II) is amended to include the person(s) or organization(s) shown in the above Schedule, but only with respect to "accidents" arising out of work being performed for such person(s) or organization(s).

As respects any person(s) or organization(s) shown in the above Schedule with whom you have agreed in a written contract to provide primary insurance coverage, this coverage will be primary and any insurance maintained by such person(s) or organization(s) will apply on an excess basis.

PCA 035 04 06

Monterey Mechanical Co.
Policy # MWZY60077
Effective Date: 04/01/13

COMMERCIAL GENERAL LIABILITY
CG 20 28 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – LESSOR OF LEASED EQUIPMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

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

All persons or organizations as required by written contract or agreement

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 your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

B. With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

Monterey Mechanical Co.
POLICY NUMBER: MWZY60077
Effective Date: 04/01/13

COMMERCIAL GENERAL LIABILITY
CG 24 04 10 93

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

SCHEDULE

Name of Person or Organization:

All persons or organizations as required by written contract or agreement

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

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 above 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 above.

Monterey Mechanical Co.
Policy #MWZY60077
Effective Date: 04/01/13

IL 10 (12/06) OLD REPUBLIC INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED AMENDMENT
(PRIMARY AND NON - CONTRIBUTORY)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

As respects any person(s) or organization(s) included as an additional insured under endorsement CG 2037 (Additional Insured - Owners, Lessees Or Contractors - Completed Operations) and/or CG 2010 (Additional Insured - Owners, Lessees Or Contractors - Scheduled Person Or Organization) and whom you have agreed in a written contract, agreement or permit to provide primary insurance on a non-contributory basis, this insurance will be primary to and non-contributing with any other insurance available to such person(s) or organization(s).

PGL 158 04 11

Monterey Mechanical Co.
Policy # MWZY60077
Effective Date:04/01/13

COMMERCIAL GENERAL LIABILITY
CG 20 37 07 04

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

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
All Persons or Organizations as required by written Contract or Agreement.	The locations as specified in the written contracts or agreements.

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

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".

Monterey Mechanical Co.
Policy # MWZY60077
Effective Date: 04/01/13

COMMERCIAL GENERAL LIABILITY
CG 20 10 07 04

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
All Persons or Organizations as required by written Contract or Agreement.	The locations as specified in the written contracts or agreements.
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.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 04 03 06

Policy Number: MWC11818100
Effective Date: 04/01/13

**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 0 % of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

PERSON OR ORGANIZATION

JOB DESCRIPTION

**WHERE REQUIRED BY
WRITTEN CONTRACT OR
AGREEMENT**

**WHERE REQUIRED BY WRITTEN CONTRACT OR
AGREEMENT**

DATE OF ISSUE: 04/01/13

© 1998 by the Workers' Compensation Insurance Rating Bureau of California. All rights reserved.
From the WCIRB's California Workers' Compensation Insurance Forms Manual © 1999.

M. FIRST NAMED INSURED means the person or entity stated in the Declarations.

N. INSURED means:

1. the **FIRST NAMED INSURED**, any **ADDITIONAL NAMED INSURED**, and any present or former director, officer, partner, member, employee, leased or temporary worker thereof, while acting within the scope of his/her duties as such; and
2. any organization or entity in which the **FIRST NAMED INSURED** has an ownership interest of fifty percent (50%) or more, or otherwise has management control over, as of the inception date of this Policy; and
3. any joint ventures in which the **INSURED** is named as a co-venturer; but solely with regard to the **INSURED's** liability arising out of its **CONTRACTING SERVICES** provided under such joint venture; and
4. solely with regard to Coverage B under this Policy:

When required by written contract **INSURED** also includes the client for whom the **INSURED** performs **CONTRACTING SERVICES** provided that such contract was signed by the **INSURED** and such client prior to the date the **POLLUTION CONDITION** first commenced. However, the client is included as an **INSURED** under this Policy solely to the extent that the client is found liable based upon **CONTRACTING SERVICES** negligently performed by an **INSURED** other than the client. Coverage for such client under this Policy shall not exceed the lesser of the following amounts:

- i. the Limit of Liability required under such written contract; or
- ii. the applicable Coverage B Limit of Liability of this Policy.

O. JOB SITE means a location at which **CONTRACTING SERVICES** are performed. **JOB SITE** also includes real property rented or leased by the **INSURED** during the course of performing **CONTRACTING SERVICES** but only if such real property is utilized in direct support of such **CONTRACTING SERVICES**. However, **JOB SITE** does not include any of the following:

1. a **COVERED LOCATION(S)**; or
2. any location managed, operated, owned or leased by an **INSURED** or any subsidiary or affiliate of an **INSURED**; but this subparagraph 2. does not apply to a location that is managed, operated, owned or leased solely by one or more persons or organizations that are **INSUREDS** only by reason of subparagraph 4. of the definition of **INSURED**.

P. LEGAL EXPENSE means attorneys' fees and other charges and expenses incurred in the investigation, adjustment, defense, or settlement of any **CLAIM** for **LOSS** or **CLEAN-UP COSTS**, or in connection with the payment of any **CLEAN-UP COSTS**. **LEGAL EXPENSE** includes the fees and expenses of consultants, expert witnesses, accountants, court reporters, and other vendors, for goods or services in connection with such investigation, adjustment, defense, or settlement, whether incurred by the **INSURED**, defense counsel, or the Company.

LEGAL EXPENSE does not include salary charges of regular employees or officials of the Company, fees and expenses of supervisory counsel retained by the Company, or the time and expense incurred by the **INSURED** in assisting in the investigation or resolution of a **CLAIM** or in connection with **CLEAN-UP COSTS**, including but not limited to the costs of the **INSURED's** in-house counsel.

Q. LOSS means:

1. solely with regard to Coverage A, a monetary judgment, award or settlement of:
 - i. compensatory damages; or
 - ii. punitive, exemplary or multiplied damages, civil fines, penalties and assessments, where insurable by law.

SUPPLEMENT TO CERTIFICATE OF INSURANCE

DATE
04/25/2013

NAME OF INSURED: Monterey Mechanical Co.

GENERAL LIABILITY:

- * Additional Insured as required by written contract per attached forms CG 2037 0704, CG 2010 0704 & CG 2028 0704.
- * Coverage is Primary & Non-Contributory as required by written contract per attached form PGL 081 05 06.
- * Waiver of Subrogation as required by written contract per attached form CG 2404 1093.

AUTOMOBILE LIABILITY:

- * Additional Insured as required by written contract per attached form PCA 038 0406 & PCA 035 0406.
- * Waiver of Subrogation as required by written contract per attached form PCA 044 0406.

WORKERS COMPENSATION:

- * Waiver of Subrogation as required by written contract per attached form WC 04 03 06 (California)

POLLUTION LIABILITY:

- * Additional Insured as required by written contract per attached form PCE 60 01 (0408)

Print this page (?)

Old Republic Insurance Company


A.M. Best #: 000733 NAIC #: 24147 FEIN #: 250410420

Address: P.O. Box 789.

Greensburg, PA 15601-0789
United StatesWeb: www.oldrepublic.com

Phone: 724-834-5000

Fax: 724-834-4205



Assigned to companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations.

Based on A.M. Best's analysis, [058439 - Old Republic International Corporation](#) is the **AMB Ultimate Parent** and identifies the topmost entity of the corporate structure. View a list of [operating insurance entities](#) in this structure.

Best's Credit Ratings

View all of the [companies](#) assigned this rating as a part of an **AMB Rating Unit**.Financial Strength Rating [View Definition](#)

Rating: A (Excellent)
 Financial Size Category: XI (\$750 Million to \$1 Billion)
 Outlook: Stable
 Action: Affirmed
 Effective Date: September 26, 2012
 Initial Rating Date: June 30, 1940
 u Denotes Under Review Best's Rating

Best's Credit Rating Analyst

Office: A.M. Best Company, Oldwick NJ
 Senior Financial Analyst: Michael W. Russo
 Assistant Vice President: Michael J. Lagomarsino, CFA

Long-Term Issuer Credit Rating [View Definition](#)

Long-Term: a+
 Outlook: Stable
 Action: Affirmed
 Effective Date: September 26, 2012
 Initial Rating Date: June 20, 2005

Related Financial and Analytical Data

The following links provide access to related data records that A.M. Best utilizes to provide financial and analytical data on a consolidated or branch basis.

[002976 Old Republic Insurance Companies](#) Represents the A.M. Best Consolidated financials for the Property/ Casualty business of this legal entity.

Reports and News

Visit Best's News and Analysis site for the latest [news and press releases](#) for this company and its A.M. Best Group.



AMB Credit Report - Insurance Professional - includes Best's Financial Strength Rating and rationale along with comprehensive analytical commentary, detailed business overview and key financial data.
 Report Revision Date: 2/25/2013 (represents the latest significant change).



Historical Reports are available in [AMB Credit Report - Insurance Professional Archive](#).



Best's Executive Summary Reports (Financial Overview) - available in three versions, these presentation style reports feature balance sheet, income statement, key financial performance tests including profitability, liquidity and reserve analysis.

Data Status: 2013 Best's Statement File - P/C, US Contains data compiled as of 5/23/2013 Quality Cross Checked.

- **Single Company** - five years of financial data specifically on this company.
- **Comparison**
 - side-by-side financial analysis of this company with a peer group of up to five other companies you select.
- **Composite**
 - evaluate this company's financials against a peer group composite. Report displays both the average and total composite of your selected peer group.



Best's Key Rating Guide Presentation Report - includes Best's Financial Strength Rating and financial data as provided in the most current edition of Best's Key Rating Guide products. (Quality Cross Checked).

Financial and Analytical Products

[Best's Insurance Reports - Online - P/C, US & Canada](#)

[Best's Key Rating Guide - P/C, US & Canada](#)

[Best's Statement File - P/C, US](#)

[Best's Executive Summary Report - Composite - Property/Casualty](#)

[Best's Executive Summary Report - Comparison - Property/Casualty](#)

[Best's Statement File - Global](#)

[Best's Regulatory Center Market Share Reports](#)

[Best's State Line - P/C, US](#)

[Best's Corporate Changes and Retirements - P/C, US/CN](#)

[Best's Insurance Expense Exhibit \(IEE\) - P/C, US](#)

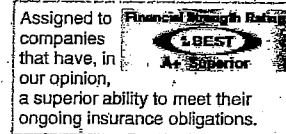
[Best's Schedule P \(Loss Reserves\) - P/C, US](#)

[Best's Regulatory Center](#)

St Paul Fire and Marine Insurance Co

Print this page (?)

A.M. Best #: 002452 NAIC #: 24767 FEIN #: 410406690
 Address: One Tower Square
 Hartford, CT 06183
 United States
 Web: www.travelers.com
 Phone: 860-277-0111
 Fax: 860-277-7002



Based on A.M. Best's analysis, 058470 - Travelers Companies, Inc. is the AMB Ultimate Parent and identifies the topmost entity of the corporate structure. View a list of operating insurance entities in this structure.

Best's Credit Ratings

View all of the companies assigned this rating as a part of an AMB Rating Unit:

Financial Strength Rating	View Definition
Rating:	A+ (Superior)
Financial Size Category:	XV (\$2 Billion or greater)
Outlook:	Positive
Action:	Affirmed
Effective Date:	May 30, 2013
Initial Rating Date:	June 30, 1926
u Denotes Under Review Best's Rating	

Best's Credit Rating Analyst
Office: A.M. Best Company, Oldwick NJ
Senior Financial Analyst: Michael W. Russo
Assistant Vice President: Michael J. Lagomarsino, CFA

Long-Term Issuer Credit Rating	View Definition
Long-Term:	aa
Outlook:	Positive
Action:	Affirmed
Effective Date:	May 30, 2013
Initial Rating Date:	April 18, 2005

Related Financial and Analytical Data

The following links provide access to related data records that A.M. Best utilizes to provide financial and analytical data on a consolidated or branch basis.

085306 [St Paul Fire & Marine Insurance Co](#) Represents financials for the Canada Branch of this legal entity.
[CAB](#)

Reports and News

Visit Best's News and Analysis site for the latest news and press releases for this company and its A.M. Best Group.

AMB Credit Report - Insurance Professional - includes Best's Financial Strength Rating and rationale along with comprehensive analytical commentary, detailed business overview and key financial data.
 Report Revision Date: 5/30/2013 (represents the latest significant change).

Historical Reports are available in [AMB Credit Report - Insurance Professional Archive](#).

Best's Executive Summary Reports (Financial Overview) - available in three versions, these presentation style reports feature balance sheet, income statement, key financial performance tests including profitability, liquidity and reserve analysis.

Data Status: 2013 Best's Statement File - P/C, US Contains data compiled as of 5/23/2013 Quality Cross Checked.

- **Single Company** - five years of financial data specifically on this company.
- **Comparison** - side-by-side financial analysis of this company with a peer group of up to five other companies you select.
- **Composite** - evaluate this company's financials against a peer group composite. Report displays both the average and total composite of your selected peer group.

Best's Key Rating Guide Presentation Report - includes Best's Financial Strength Rating and financial data as provided in the most current edition of Best's Key Rating Guide products. (Quality Cross Checked).

Financial and Analytical Products

[Best's Insurance Reports - Online - P/C, US & Canada](#)

[Best's Key Rating Guide - P/C, US & Canada](#)

[Best's Statement File - P/C, US](#)

[Best's Executive Summary Report - Composite - Property/Casualty](#)

[Best's Executive Summary Report - Comparison - Property/Casualty](#)

[Best's Statement File - Global](#)

[Best's Regulatory Center Market Share Reports](#)

[Best's State Line - P/C, US](#)

[Best's Corporate Changes and Retirements - P/C, US/CN](#)

[Best's Insurance Expense Exhibit \(IEE\) - P/C, US](#)

[Best's Schedule P \(Loss Reserves\) - P/C, US](#)

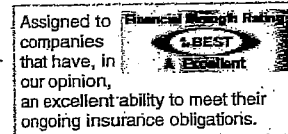
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Great American E&S Insurance Company

A.M. Best #: 003837 NAIC #: 37532 FEIN #: 310954439

Address: 301 E. Fourth Street
Cincinnati, OH 45202
United States

Web: www.greatamericaninsurance.com
Phone: 513-369-5000
Fax: 513-369-3600



Based on A.M. Best's analysis, [058317 - American Financial Group, Inc](#) is the **AMB Ultimate Parent** and identifies the topmost entity of the corporate structure. View a list of [operating insurance entities](#) in this structure.

Best's Credit Ratings

View all of the [companies](#) assigned this rating as a part of an **AMB Rating Unit**.

Financial Strength Rating View Definition	
Rating:	A (Excellent)
Financial Size	XIII (\$1.25 Billion to \$1.5 Billion)
Category:	
Outlook:	Positive
Action:	Affirmed
Effective Date:	February 22, 2013
Initial Rating Date:	June 30, 1980
<small>u Denotes Under Review Best's Rating</small>	

Best's Credit Rating Analyst

Office: A.M. Best Company, Oldwick NJ
Senior Financial Analyst: Gordon McLean
Managing Senior Financial Analyst: Jennifer Marshall, CPCU, ARM

Long-Term Issuer Credit Rating [View Definition](#)

Long-Term:	a+
Outlook:	Positive
Action:	Affirmed
Effective Date:	February 22, 2013
Initial Rating Date:	June 17, 2005

Reports and News

Visit Best's News and Analysis site for the latest [news and press releases](#) for this company and its A.M. Best Group.



AMB Credit Report - Insurance Professional - includes Best's Financial Strength Rating and rationale along with comprehensive analytical commentary, detailed business overview and key financial data.
Report Revision Date: 4/4/2013 (represents the latest significant change).



Historical Reports are available in [AMB Credit Report - Insurance Professional Archive](#).



Best's Executive Summary Reports (Financial Overview) - available in three versions, these presentation style reports feature balance sheet, income statement, key financial performance tests including profitability, liquidity and reserve analysis.

Data Status: 2013 Best's Statement File - P/C, US Contains data compiled as of 5/23/2013 Quality Cross Checked.

- **Single Company** - five years of financial data specifically on this company.
- **Comparison** - side-by-side financial analysis of this company with a peer group of up to five other companies you select.
- **Composite** - evaluate this company's financials against a peer group composite. Report displays both the average and total composite of your selected peer group.



Best's Key Rating Guide Presentation Report - includes Best's Financial Strength Rating and financial data as provided in the most current edition of Best's Key Rating Guide products. (Quality Cross Checked).

Financial and Analytical Products

[Best's Insurance Reports - Online - P/C, US & Canada](#)

[Best's Key Rating Guide - P/C, US & Canada](#)

[Best's Statement File - P/C, US](#)

[Best's Executive Summary Report - Composite - Property/Casualty](#)

[Best's Executive Summary Report - Comparison - Property/Casualty](#)

[Best's Statement File - Global](#)

[Best's State Line - P/C, US](#)

[Best's Regulatory Center Market Share Reports](#)

[Best's Corporate Changes and Retirements - P/C, US/CN](#)

[Best's Insurance Expense Exhibit \(IEE\) - P/C, US](#)

[Best's Schedule P \(Loss Reserves\) - P/C, US](#)

[Best's Regulatory Center](#)

[Best's Schedule D \(Corporate Bonds\) - US](#)

[Best's Schedule D \(Common Stocks\) - US](#)

[Best's Schedule D \(Municipal Bonds\) - US](#)

DOCUMENT 00520

AGREEMENT

THIS AGREEMENT is made for the convenience of the parties this 15th day of January, 2013 by and between Monterey Mechanical Co., located at 8275 San Leandro Street, Oakland, CA 94621 ("CONTRACTOR"), and the City and county of San Francisco, State of California (the "CITY"), acting through the General Manager (the "GENERAL MANAGER") of the San Francisco Public Utilities Commission (the "SFPUC"), under and by virtue of the Charter and Administrative Code of the City and County of San Francisco.

WHEREAS, on the 26th day of November, 2012 the GENERAL MANAGER, in accordance with Section 6.60 of the San Francisco Administrative Code, declared an emergency to investigate and appropriately repair the digester #2 roof at Southeast Water Pollution Control Plant; and

WHEREAS, the Declaration of Emergency was approved by the President of the San Francisco Public Utilities Commission on November 27, 2012, a copy of the Declaration is attached hereto; and

WHEREAS, the CITY retained the CONTRACTOR to perform the emergency work described above; and

WHEREAS, the San Francisco Public Utilities Commission issued a Notice to Proceed to CONTRACTOR on December 4, 2012 for

**WW-574(E) Emergency Repair of Digester #2 Roof at Southeast Water Pollution Control Plant
Contract No. WW-574(E) (Not to Exceed \$996,000)**

NOW, THEREFORE, CONTRACTOR, in consideration of the mutual covenants set forth in this AGREEMENT, promises and agrees to provide all services to construct the Project in accordance with the requirements of the Contract Documents, to perform the Work in good and workmanlike manner to the satisfaction of the GENERAL MANAGER, to prosecute the Work with diligence from day to day to Final Completion, to furnish all construction work, labor and materials to be used in the execution and completion of the Work in accordance with the Contract Documents, and to otherwise fulfill all of CONTRACTOR's obligations under the Contract Documents, as and when required under the Contract Documents to the satisfaction of the GENERAL MANAGER.

CONTRACTOR's execution of this AGREEMENT signifies its acceptance of the Contract Time and Contract Sum as being sufficient for completion of the Work, as well as acceptance of the other terms and conditions of the Contract Documents.

ARTICLE 1 - WORK

- 1.01 Contract Documents. CONTRACTOR shall Provide all Work according to the Contract Documents, which are incorporated into and made a part of this AGREEMENT by this reference, and all labor and materials used in providing the Work shall comply with the Contract Documents. The Contract Documents, which comprise the entire agreement between CONTRACTOR and the CITY concerning the Provision of the Work, are defined in the General Conditions (Document 00700). Any undefined term used in this AGREEMENT shall be given the definition set forth in the General Conditions (Document 00700).

1.02 Contractor's General Responsibilities. CONTRACTOR shall provide a fully functional, complete and operational Project constructed in accordance with the Contract Documents, including but not limited to, all investigations, analyses, surveys, engineering, procurement, materials, labor, workmanship, construction and erection, commissioning, equipment, shipping, subcontractors, material suppliers, permits, insurance, bonds, fees, taxes, duties, documentation, spare parts, materials for initial operation, security, disposal, startup, testing, training, warranties, guarantees, and all incidentals.

1.03 Compliance with Laws.

- A. CONTRACTOR shall keep itself fully informed of and comply with the Charter, ordinances and regulations of the CITY and other local agencies having jurisdiction over the Work, and all federal and state laws and regulations in any manner affecting the Contract Documents, the performance of the Work, or those persons engaged therein.
- B. All construction and materials provided under the Contract Documents shall be in full accordance with the latest laws and requirements, or the same as may be amended, updated or supplemented from time to time, of the Code specified in the Contract Documents, Americans with Disability Act Accessibility Guidelines, CAL-OSHA, the State Division of Industrial Safety of the Department of Industrial Relations, the Division of the State Architect – Access Compliance, the Public Utilities Commission of the State of California, the State Fire Marshal, the National Fire Protection Association, the San Francisco Department of Public Health, state and federal laws and regulations, and of other bodies or officials having jurisdiction or authority over same, and they shall be observed and complied with by CONTRACTOR and any and all persons, firms and corporations employed by or under it.
- C. Authorized persons may at any time enter upon any part of the Work to ascertain whether such laws, ordinances, regulations or orders are being complied with.
- D. No additional costs will be paid or extensions of time granted as a result of such compliance.

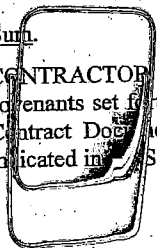
ARTICLE 2 - CONTRACT TIME

- 2.01 Completion Dates. The Work shall be Substantially Complete within 120 days, beginning with and including the official date of Notice to Proceed as established by the GENERAL MANAGER, and Finally Complete in accordance with Article 9 of the General Conditions (Document 00700) within 30 consecutive calendar days after the date the CITY issues a Notice of Substantial Completion.
- 2.02 Liquidated Damages. It is understood and agreed by and between CONTRACTOR and the CITY that time is of the essence in all matters relating to the Contract Documents and that the CITY will suffer financial loss if the Work is not completed within the above-stated Contract Times, plus any extensions thereof allowed in accordance with Article 7 of the General Conditions (Document 00700). The CITY and CONTRACTOR further understand and agree that the actual cost to CITY which would result from CONTRACTOR's failure to complete the Work within the Contract Time is extremely difficult, if not impossible, to determine. Accordingly, CONTRACTOR and the CITY agree that as liquidated damages for delay (but not as a penalty), CONTRACTOR shall pay the CITY the amounts set forth in Document 00802 (Contract Time and Liquidated Damages) for each calendar day that expires after the above Contract Times and the Work remains incomplete.

ARTICLE 3 - CONTRACT SUM

3.01 Contract Sum.

- A. CONTRACTOR and the CITY agree that, upon performance and fulfillment of the mutual covenants set forth herein, the CITY will, in the manner provided by law and as set forth in the Contract Documents, pay or cause to be paid to CONTRACTOR the following price(s), as indicated in Schedule of Bid Prices (Document 00410):



1. Lump sums for specified portions of the Work.
2. The total of all Unit Price Items bid.
3. The allowance(s) specified.
4. Selected additive/deductive Alternate Bid Items.

Total awarded contract amount: Not to Exceed Nine Hundred Ninety Six and no/100 Dollars (\$996,000)

The price(s) and amount set forth above shall be adjusted during performance or upon final completion of the Work in accordance with the Contract Documents.

- B. CONTRACTOR understands and agrees that the CONTRACTOR shall be solely responsible for providing all resources that may be necessary to provide the Work, and that the CITY shall have no obligation whatsoever to finance any part of such costs except with respect to those amounts which become due under the terms and conditions of the Contract Documents.
- 3.02 Certification by Controller. This AGREEMENT is subject to the budget and fiscal provisions of the CITY's Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of the CITY's obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization.

ARTICLE 4 – LABOR REQUIREMENTS

- 4.01 Applicable Laws and Agreements. Compensation and working conditions for labor performed or services rendered under this AGREEMENT shall be in accordance with the Contract Documents, the San Francisco Charter, and applicable sections of the San Francisco Administrative Code, including section 6.22(E).
- 4.02 Prevailing Wages. The latest Wage Rates for Private Employment on Public Contracts as determined by the San Francisco Board of Supervisors and the Director of the California Department of Industrial Relations, and, when federal funds are involved, the current General Wage Determination Decisions, as determined by the U.S. Secretary of Labor, as same may be changed during the term of this AGREEMENT, shall be included in this AGREEMENT and are hereby incorporated by this reference. CONTRACTOR agrees that any person performing labor in the provision of the Work shall be paid not less than the highest general prevailing rate of wages as so determined. If federal funds are involved, where the minimum rate of pay for any classification differs among State, City and Federal wage rate determinations, the highest of the three rates of pay shall prevail. CONTRACTOR shall include, in any contract or subcontract relating to the Work, a requirement that all persons performing labor under such contract or subcontract shall be paid not less than the highest prevailing rate of wages for the labor so performed. CONTRACTOR shall require any contractor to provide, and shall deliver to CITY every month during any construction period, certified payroll reports with respect to all persons performing labor in the Provision of the Work.
- A. Copies of the latest prevailing wage rates are on file at the San Francisco Public Utilities Commission, City and County of San Francisco, Contract Administration Bureau, 525 Golden Gate Avenue, 8th Floor, San Francisco, CA 94102.
- 4.03 Penalties. CONTRACTOR shall forfeit to the CITY back wages due plus fifty dollars (\$50.00) for:
- A. Each laborer, workman, or mechanic employed in the provision of the Work, for each calendar day or portion thereof during which such laborer, workman, or mechanic is not paid the highest general prevailing rate of wage for the work performed; or

- B. Each laborer, mechanic or artisan employed in the provision of the Work, for each calendar day or portion thereof during which such laborer, mechanic or artisan is compelled or permitted to work for a longer period than five days (Monday-Friday) per calendar week of eight hours each, and not compensated in accordance with the prevailing overtime standard and rate.

ARTICLE 5 – INDEMNITY

- 5.01 To the fullest extent permitted by law, and consistent with California Civil Code section 2782, the CONTRACTOR shall assume the defense of, indemnify and hold harmless the CITY, its boards and commissions, other parties designated in Document 00805, and all of their officers, agents, members, employees, authorized representatives, or any other persons deemed necessary by any of them acting within the scope of the duties entrusted to them, from all claims, suits, damages, actions, losses and liabilities of every kind, nature and description, including but not limited to attorney's fees, directly or indirectly arising out of, connected with or resulting from the performance or nonperformance of the Work. The liability of CONTRACTOR shall not be limited to the amount of insurance coverages required under the Contract Documents. This indemnification shall not be valid in the instance where the loss is caused by the sole negligence or intentional tort of any person indemnified herein.

ARTICLE 6 – RIGHTS AND REMEDIES

- 6.01 General. The provisions of the Contract Documents shall not limit the duties, obligations, rights and remedies otherwise imposed or available by law or in equity. No action or failure to act shall in any way abridge the rights and obligations of the Parties to the Contract Documents, or condone a breach thereunder, unless expressly agreed to by the Parties in writing. All remedies provided in the Contract Documents shall be taken and construed as cumulative; that is, in addition to each and every other remedy herein provided, the CITY shall have any and all equitable and legal remedies that it would in any case have.
- 6.02 No Waiver. No waiver of any breach of any provision of the Contract Documents shall be held to be a waiver of any other or subsequent breach. The only waiver by the CITY shall be a waiver in writing that explicitly states the item or right being waived.
- 6.03 CITY's Remedies for False Claims and Other Violations. The Contractor or any Subcontractor or Supplier who fails to comply with the terms of this AGREEMENT, who violates any provision of Chapter 6 of the Administrative Code or rules and regulations adopted per that Chapter, who submits false claims, or who violates against any governmental entity a civil or criminal law relevant to its ability to perform under or comply with the terms and conditions of the AGREEMENT, may be subject to monetary penalties and may be declared an irresponsible bidder and debarred by operation of statute. (San Francisco Administrative Code section 6.80, et seq.) The Contractor shall include in each subcontract and purchase order for Work a clause incorporating the provisions of this Paragraph 6.03.

ARTICLE 7 – RESOLUTION OF CONFLICTING TERMS

- 7.01 The Contract Documents and any other agreements between the Parties relating to the Project are intended to be read together and integrated as a whole, and shall be construed and interpreted in a manner so as to avoid any conflicts to the extent possible. Supplementary provisions in the Contract Documents shall not be deemed to be in conflict. It is expressly agreed by and between CONTRACTOR and the CITY that should there be any conflict between the terms of this AGREEMENT and the Bid of CONTRACTOR, then this AGREEMENT shall control and nothing herein shall be considered as an acceptance of any terms of the Bid which conflict with this AGREEMENT.

ARTICLE 8 – GOVERNING LAW AND VENUE

- 8.01 Governing Law. The Contract Documents shall be interpreted in accordance with the laws of the State of California and the provisions of the CITY's Charter and Administrative Code, including but not limited to Chapter 6 of the San Francisco Administrative Code, which is incorporated by this reference as if set forth

herein in full.

- 8.02 Venue. All Claims, counter-claims, disputes and other matters in question between the CITY and CONTRACTOR arising out of or relating to this AGREEMENT or its breach will be decided by a court of competent jurisdiction within the State of California.

ARTICLE 9 – NOTICES TO PARTIES

- 9.01 Unless otherwise indicated in the Contract Documents, all written communications sent by the Parties may be by U.S. mail, e-mail or by fax, and shall be addressed as follows:

To CITY: Contact the designated City Representative

To CONTRACTOR: Monterey Mechanical Co.
 (Contractor's name)
8275 San Leandro Street, Oakland, CA 94621
 (Contractor's mailing address)
j.troup@montmech.com
 (Contractor's e-mail address)
510-632-0732
 (Contractor's fax no.)

- 9.02 From time to time, the parties may designate new address information by notice in writing, delivered to the other Party.
- 9.03 The delivery to CONTRACTOR at the legal address listed above, as it may be amended upon written notice, or the depositing in any post office or post office box regularly maintained by the United States Postal Service in a postage paid wrapper directed to CONTRACTOR at such address, of any drawing, notice, letter or other communication shall be deemed legal and sufficient service thereof upon CONTRACTOR.

ARTICLE 10 – PROPRIETARY OR CONFIDENTIAL INFORMATION OF CITY

- 10.01 CONTRACTOR understands and agrees that, in the performance of the Work under this AGREEMENT or in contemplation thereof, CONTRACTOR may have access to private or confidential information which may be owned or controlled by CITY and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to CITY. CONTRACTOR agrees that all information disclosed by CITY to CONTRACTOR shall be held in confidence and used only in performance of the AGREEMENT. CONTRACTOR shall exercise the same standard or care to protect such information as a reasonably prudent contractor would use to protect its own proprietary data.

ARTICLE 11 – TERMINATION

- 11.01 This AGREEMENT and the other Contract Documents shall terminate when all obligations required to be performed by CONTRACTOR and the CITY have been fulfilled, unless sooner terminated as set forth in Article 14 of the General Conditions (Document 00700).

[Emergency Contracts Only]
Executed on January 17, 2012

510-632-3173
Telephone Number
058846
S.F. Business Tax Registration Certificate Number

Monterey Mechanical Co.
Name of Firm or Corporation
[Signature]
(signed) Bidder or Authorized Representative
President
Position in Firm or Corporation
8275 San Leandro St., Oakland, CA 94621
Address of Firm or Corporation Zip Code
388361
Contractor's California License No.
3/31/14
License Expiration Date

IN WITNESS WHEREOF, the CONTRACTOR and the CITY have hereunto set their hands and seals, and have executed this AGREEMENT in duplicate, the day and year first above written.
CONTRACTOR:

By my signature hereunder, as CONTRACTOR, I certify that I have read and understand the section captioned MacBride Principles – Northern Ireland including in Document 00822, the CITY's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.

I further certify that 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.

Monterey Mechanical Co.
Principal
By: [Signature]
Title James D. Troup, President

CITY
Awarded:
By: [Signature]
General Manager, San Francisco Public Utilities
Commission

Approved as to form:
DENNIS J. HERRERA
City Attorney

By: [Signature]
Deputy City Attorney

END OF DOCUMENT



**San Francisco
Water Power Sewer**

Services of the San Francisco Public Utilities Commission

525 Golden Gate Avenue, 13th Floor
San Francisco, CA 94102
T 415.554.3155
F 415.554.3161
TTY 415.554.3488

INTER-OFFICE MEMORANDUM

DATE: November 27, 2012

TO: The Honorable Art Torres
President, San Francisco Public Utilities Commission

THROUGH: Harlan L. Kelly, Jr. *HLK*
General Manager

FROM: Tommy T. Moala *Tommy*
Assistant General Manager, Wastewater Enterprise

SUBJECT: Declaration of Emergency: Repair Digester #2 Roof at Southeast Water Pollution Control Plant

On November 26, 2012, the SFPUC Wastewater Enterprise's Operations requested an emergency be declared to repair the Digester #2 roof at the Southeast Plant. During a routine inspection, the SFPUC Wastewater Enterprise's (WWE) Operations Staff observed that a large volume of sludge had accumulated on the metal roof of Digester #2. Further investigation revealed the presence of significant corrosion that had resulted in holes in the digester roof, allowing undigested sludge to flow to the top of the roof. The weight of the sludge caused an imbalance of the roof, which if not immediately corrected could result in a catastrophic failure of the entire digester.

At this time, Digester #2 is no longer functional and immediate repairs are required to maintain permit compliance. Coincidentally, Digester #3 is currently out of service for scheduled roof repair work to address corrosion. The failure of Digester #2 has left the WWE with only five active digesters and two storage digesters. A minimum of six active digesters are needed to ensure the appropriate level of treatment can be provided.

It is in the best interest of the City to declare an emergency for this work in order to mitigate the potential risks to the health and safety of facility personnel and surrounding Southeast Community.

This request for emergency declaration is for resources and materials to perform the work beyond the capabilities of the City forces as soon as possible for an estimated cost not-to-exceed \$1,000,000.

I am therefore declaring the existence of an emergency. I trust that this meets with your concurrence and approval.

Edwin M. Lee
Mayor

Art Torres
President

Vince Courtney
Vice President

Ann Moller Coen
Commissioner

Francesca Vietor
Commissioner

Anson Moran
Commissioner

Harlan L. Kelly, Jr.
General Manager

CONCUR AND APPROVE:

Art Torres

Art Torres - President
San Francisco Public Utilities Commission



Bond No. 070-015-526

Premium \$12,667.00

DOCUMENT 00610

PERFORMANCE BOND AND PAYMENT (LABOR & MATERIALS) BOND

KNOW ALL MEN BY THESE PRESENTS, that WHEREAS, the San Francisco Public Utilities Commission of the City and County of San Francisco, State of California, has awarded to:

Monterey Mechanical Co., located at 8275 San Leandro Street, Oakland, CA 94621 hereinafter designated as the "Principal", a Contract for:

WW-574(E) EMERGENCY REPAIR OF DIGESTER #2 ROOF AT SOUTHEAST WATER POLLUTION CONTROL PLANT

Contract No. WW-574(E)

WHEREAS, said Principal is required under the terms of said Contract to furnish a Bond for the faithful performance of said Contract; and to furnish a separate Bond for the payment of any materials, provisions, or other supplies, used in, upon, for or about the performance of the Work contracted to be done;

NOW, THEREFORE, we the Principal and Liberty Mutual Insurance Company

as Surety, are firmly bound unto the City and County of San Francisco in the penal sum of

(PERFORMANCE BOND) Nine Hundred Ninety Six Thousand and No/100-----Dollars (\$996,000.00)

and

(PAYMENT BOND) Nine Hundred Ninety Six Thousand and No/100-----Dollars (\$996,000.00)

lawful money of the United States for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents for the penal sum for a performance bond and an equal and separate penal sum for a separate payment bond. The conditions of this obligation is such that if the said principal does well and faithfully performs all the conditions and covenants of said Contract, according to the true intent and meaning thereof, upon its part to be kept and performed, then the above obligation is to be null and void, otherwise to remain in full force and effect.

(PERFORMANCE BOND)

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the said Contract, including the provisions for liquidated damages in the said Contract, any changes, additions or alterations thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the

City and County of San Francisco, its officers and agents, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

(PAYMENT BOND)

THE CONDITION OF THIS OBLIGATION IS SUCH, that if said principal, its heirs, executors, administrators, successors or assigns, or its subcontractor or subcontractors, shall fail to pay for any materials, provisions, or other supplies, used in, upon, for or about the performance of the Work contracted to be done, or for any work or labor thereon of any kind, or for amounts due the Unemployment Insurance Act with respect to such work or labor, then the surety of this Bond will pay for same, in an amount not exceeding the sum specified in this Bond, and in case suit is brought upon this Bond will also pay a reasonable attorney's fee, to be fixed by the Court.

This Bond shall inure to the benefit of any and all persons, companies, corporations, political subdivisions and state agencies, entitled to file claims under the provisions of California Civil Code section 3247 et seq.

And the said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the Work to be performed thereunder or the Specifications accompanying the same and no inadvertent overpayment of progress payments shall in any way affect its obligations on these Bonds, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the Work or to the Specifications or of any inadvertent overpayment of progress payments.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their seal this 16th day of January, 2013, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Approved as to form:
Dennis J. Herrera
City Attorney

By: [Signature]
Deputy City Attorney

Monterey Mechanical Co.

Principal

By: [Signature] James D. Troup, President
Liberty Mutual Insurance Company

Surety

By: [Signature]
Janet C. Rojo,
Attorney-in-Fact

END OF DOCUMENT

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

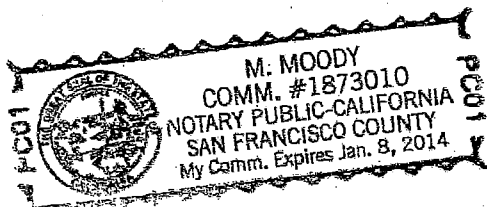
County of San Francisco

January 16, 2013 before me M. Moody, Notary Public

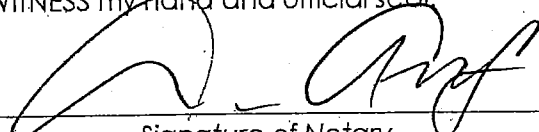
personally appeared Janet C. Rojo

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 of Notary

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

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

Certificate No. 5678981

American Fire and Casualty Company
The Ohio Casualty Insurance Company

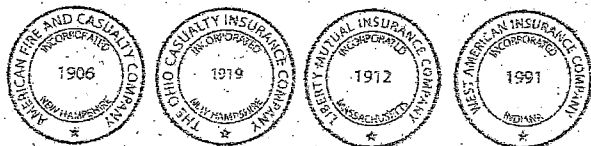
Liberty Mutual Insurance Company
West American Insurance Company

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Betty L. Tolentino; Brian F. Cooper; J. M. Albada; Janet C. Rojo; K. Zerounian; Kevin Re; M. Moody; Maureen O'Connell; Robert Wrixon; Susan Hecker; Virginia L. Black

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

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 4th day of December, 2012



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

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

STATE OF WASHINGTON ss
COUNTY OF KING

On this 4th day of December, 2012, before me personally appeared Gregory W. Davenport, who acknowledged himself to be the Assistant Secretary of American Fire and Casualty Company, Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

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



By: KD Riley
KD Riley, Notary Public

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

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

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

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

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

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

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 16th day of January, 20 13



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

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

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



**MONTEREY
MECHANICAL^{CO.}**
PROCESS PIPING/METAL FABRICATION
ENGINEERING CONSTRUCTION

8275 San Leandro Street, Oakland, CA 94621 510/632-3173
FAX 510/632-0732

January 3, 2013

San Francisco Public Utilities Commission
525 Golden Gate Ave.
San Francisco, CA 94103

Attn: Mr. Jignesh Desai

Re: Digester #2 Emergency Repair Work - SEWPCP

Jignesh,

Confirming our conversations of Friday morning December 28, 2012 we are pleased to offer this modified quotation to furnish the necessary labor, labor supervision materials, subcontractors and construction equipment required to repair the Floating Cover on Digester No.2 per the attached scope

Lump Sum Price \$996,000.00

We have not included any contingency monies in our cost proposal.

Thank you for the opportunity to be of service to SFPUC.

Carl M. Reynolds Sr.

Carl M Reynolds Sr.
Senior Estimator
Purchasing Manager
Monterey Mechanical Company
8275 San Leandro Street
Oakland, CA 94621
510-632-3173 x137

Blackwell, Blake

From: Desai, Jignesh
Sent: Wednesday, January 09, 2013 2:15 PM
To: Blackwell, Blake
Subject: FW: Diegester #2 Floating Cover Rehabilitaion
Attachments: 20130107144053641.pdf

See attached estimate breakdown with signed letter on letterhead.

Let me know if you need anything else.

Thanks
Jignesh

From: Carl Reynolds [<mailto:c.reynolds@montmech.com>]
Sent: Wednesday, January 09, 2013 2:06 PM
To: Desai, Jignesh
Subject: Diegester #2 Floating Cover Rehabilitaion

Jignesh,

Per your request, here's a breakdown of our \$996,000.00 cost proposal.

Coatings	\$235,000.00
Membrane Roofing	90,000.00
Digester Cleaning	225,000.00
Misc. Electrical	3,000.00
Monterey Mechanical (Balance of the work)	<u>443,000.00</u>
Total	\$996,000.00

If you have any questions please do not hesitate to contact me at 510-774-5378.

Carl M. Reynolds
Monterey Mechanical Company



CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)
01/18/2013

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.

If this certificate is being prepared for a party who has an insurable interest in the property, do not use this form. Use ACORD 27 or ACORD 28.

PRODUCER LIC #0726293 Gallagher Construction Services/ Arthur J. Gallagher & Co. Insurance Brokers of CA Inc. 1 Market St., Spear Tower #200 San Francisco, CA 94105	1-415-391-1500		CONTACT NAME:	
			PHONE (A/C No. Ext):	FAX (A/C No.):
			E-MAIL ADDRESS:	
			PRODUCER CUSTOMER ID:	
			INSURER(S) AFFORDING COVERAGE	NAIC #
			INSURER A: CONTINENTAL CAS CO	20443
			INSURER B:	
			INSURER C:	
			INSURER D:	
			INSURER E:	
			INSURER F:	

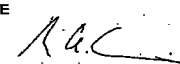
COVERAGES CERTIFICATE NUMBER: 31654021 REVISION NUMBER:

LOCATION OF PREMISES / DESCRIPTION OF PROPERTY (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 Deductible: * 3,500 Special Form Perils * 5%/50,000 Min Earth Movement * 5%/100,000 Min Earth Movement Zones A&B
 * 2%/\$25,000 Minimum Water Damage * %/\$250,000 Minimum Water Damage ? Zones A, V & M
 Valuation: Replacement Cost
 Inland Marine: Causes of Loss: Other(Special); Earth Movement \$5MIL/Occ&Agg, Spec Form Peril \$3,500Ded

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.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	COVERED PROPERTY	LIMITS
	PROPERTY				BUILDING	\$
	CAUSES OF LOSS				PERSONAL PROPERTY	\$
	BASIC				BUSINESS INCOME	\$
	BROAD				EXTRA EXPENSE	\$
	SPECIAL				RENTAL VALUE	\$
	EARTHQUAKE				BLANKET BUILDING	\$
	WIND				BLANKET PERS PROP	\$
	FLOOD				BLANKET BLDG & PP	\$
						\$
						\$
A	<input checked="" type="checkbox"/> INLAND MARINE	TYPE OF POLICY			<input checked="" type="checkbox"/> Policy Limit	\$ 10,000,000
	CAUSES OF LOSS	BUILDERS RISK			<input checked="" type="checkbox"/> Temp Stored Loc	\$ 250,000
	NAMED PERILS	POLICY NUMBER			<input checked="" type="checkbox"/> Transit	\$ 250,000
	<input checked="" type="checkbox"/> Special	IM 2094657506	04/01/12	04/01/13	<input checked="" type="checkbox"/> Flood	\$ 6MIL/Occ&Agg
	CRIME					\$
	TYPE OF POLICY					\$
						\$
	BOILER & MACHINERY / EQUIPMENT BREAKDOWN					\$
						\$
						\$

SPECIAL CONDITIONS / OTHER COVERAGES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 MMC Job #11-1267 / Client Job #WW-574 (R)
 RE: Emergency Repair of Digester #2. Roof at SEWPCCP

CERTIFICATE HOLDER MMC Job #11-1267 / Client Job #WW-574 (R) San Francisco Public Utilities Commission Attn: Contract Administration Bureau 525 Golden Gate Avenue, 8th Floor San Francisco, CA 94102 USA	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 
--	---



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/18/2013

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 LIC #0726293 1-415-391-1500
Gallagher Construction Services/
Arthur J. Gallagher & Co. Insurance Brokers of CA Inc.
1 Market St., Spear Tower #200
San Francisco, CA 94105

CONTACT NAME:
PHONE (A/C, No, Ext): FAX (A/C, No):
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: OLD REPUBLIC INS CO	24147
INSURER B: ST PAUL FIRE & MARINE INS CO	24767
INSURER C: GREAT AMER E&S INS CO	37532
INSURER D:	
INSURER E:	
INSURER F:	

INSURED
Monterey Mechanical Co.
8275 San Leandro Street
Oakland, CA 94621

COVERAGES

CERTIFICATE NUMBER: 31653378

REVISION NUMBER:

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.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC	X	X	MWZY59619	04/01/12	04/01/13	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 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	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	X	X	MWTB21576	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) \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			ZUP-14P99453-12-NF	04/01/12	04/01/13	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			MWCL17453	04/01/12	04/01/13	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER EL EACH ACCIDENT \$ 1,000,000 EL DISEASE - EA EMPLOYEE \$ 1,000,000 EL DISEASE - POLICY LIMIT \$ 1,000,000
C	POLLUTION LIAB. (MOLD)			PCE 3948930 00	04/01/12	04/01/13	PL: Ea. Clm/Agg. 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

MMC Job #11-1267 / Client Job #WW-574 (E)

RE: Emergency Repair of Digester #2 Roof at SEWPCP

ADDITIONAL INSURED(S): The City and County of San Francisco, its board members and commissions, and all authorized agents and representatives and members, directors, officers, trustees, agents and employees of any of them.

CERTIFICATE HOLDER

MMC Job #11-1267 / Client Job #WW-574 (E)
San Francisco Public Utilities Commission
Attn: Contract Administration Bureau
525 Golden Gate Avenue, 8th Floor
San Francisco, CA 94102
USA

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

© 1988-2010 ACORD CORPORATION. All rights reserved.

Policy Number: MWTB21576
Effective Date: 04/01/12

IL 10 (12/06) OLD REPUBLIC INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

SCHEDULE

Designated Person(s) or Organization(s): **All persons or organizations where required by written contract.**

WHO IS AN INSURED (SECTION II) is amended to include the person(s) or organization(s) shown in the above Schedule, but only with respect to "accidents" arising out of work being performed for such person(s) or organization(s).

As respects any person(s) or organization(s) shown in the above Schedule with whom you have agreed in a written contract to provide primary insurance coverage, this coverage will be primary and any insurance maintained by such person(s) or organization(s) will apply on an excess basis.

PCA 035 04 06

Monterey Mechanical Co.

Policy# MWTB21576 **Effective Date:** 04/01/12

IL 10 (12/06) OLD REPUBLIC INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BROAD FORM NAMED INSURED ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

It is agreed that throughout this Policy the words "you" and "your" refer to the Named Insured shown in the Declarations and any business entity in which the Named Insured shown in the Declarations owns, during the Policy Period, an interest of more than 50 percent. If other valid and collectible insurance is available to any business entity covered by this policy solely by reason of ownership by the Named Insured shown in the Declarations in excess of 50 percent, this insurance is excess over the other insurance, whether primary, excess, contingent, or on any other basis.

Policy Number: **MWTB21576**
Effective Date: **04/01/12**

IL 10 (12/06) OLD REPUBLIC INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

Under **SECTION IV, Paragraph A. 5.** is replaced by the following:

We waive our right of recovery against any person or organization to the extent required by a written contract, executed prior to any "accident". The accident must arise from operations contemplated in said contract and this waiver is only applicable to the person or organization designated in said contract.

Monterey Mechanical Co.
Policy # MWZY59619
Effective Date: 04/01/12

COMMERCIAL GENERAL LIABILITY
CG 20 10 07 04

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
All Persons or Organizations as required by written Contract or Agreement.	The locations as specified in the written contracts or agreements.
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.

Monterey Mechanical Co.
Policy # MWZY59619
Effective Date: 04/01/12

COMMERCIAL GENERAL LIABILITY
CG 20 37 07 04

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

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
All Persons or Organizations as required by written Contract or Agreement.	The locations as specified in the written contracts or agreements.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

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".

Monterey Mechanical Co.
Policy #MWZY59619
Effective Date: 04/01/12

IL 10 (12/06) OLD REPUBLIC INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED AMENDMENT
(PRIMARY AND NON - CONTRIBUTORY)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

As respects any person(s) or organization(s) included as an additional insured under endorsement CG 2037 (Additional Insured - Owners, Lessees Or Contractors - Completed Operations) and/or CG 2010 (Additional Insured - Owners, Lessees Or Contractors - Scheduled Person Or Organization) and whom you have agreed in a written contract, agreement or permit to provide primary insurance on a non-contributory basis, this insurance will be primary to and non-contributing with any other insurance available to such person(s) or organization(s).

Monterey Mechanical Co.
POLICY NUMBER: MWZY59619
Effective Date: 04/01/12

COMMERCIAL GENERAL LIABILITY
CG 24 04 10 93

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

SCHEDULE

Name of Person or Organization:

All persons or organizations as required by written contract or agreement

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

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 above 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 above.

Monterey Mechanical Co.
Policy # MWZY59619
Effective Date: 04/01/12

COMMERCIAL GENERAL LIABILITY
CG 20 28 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – LESSOR OF LEASED EQUIPMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

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

All persons or organizations as required by written contract or agreement

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 your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

B. With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

Policy Number: MWC117453
Effective Date: 04/01/12

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 0 % of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

PERSON OR ORGANIZATION

JOB DESCRIPTION

**WHERE REQUIRED BY
WRITTEN CONTRACT OR
AGREEMENT**

**WHERE REQUIRED BY WRITTEN CONTRACT OR
AGREEMENT**

DATE OF ISSUE: 04/01/12

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From the WCIRB's California Workers' Compensation Insurance Forms Manual © 1999.

SUPPLEMENT TO CERTIFICATE OF INSURANCE

DATE
01/18/2013

NAME OF INSURED: Monterey Mechanical Co.

GENERAL LIABILITY:

- * Additional Insured as required by written contract per attached forms CG 2037 0704, CG 2010 0704 & CG 2028 0704.
- * Coverage is Primary & Non-Contributory as required by written contract per attached form PGL 156 0411.
- * Waiver of Subrogation as required by written contract per attached form CG 2404 1093.

AUTOMOBILE LIABILITY:

- * Additional Insured as required by written contract per attached form PCA 038 0406 & PCA 035 0406.
- * Waiver of Subrogation as required by written contract per attached form PCA 044 0406.

WORKERS COMPENSATION:

- * Waiver of Subrogation as required by written contract per attached form WC 04 03 06 (California)



Administrative Offices
301 E. 4th Street
Cincinnati, Ohio 45202
Tel: 1-513-369-5000

Policy Number: PCE 3948930 00
Named Insured: Monterey Mechanical Company
Effective Date: 4/1/12

PCE 60 01 (Ed. 04 08)

GREAT AMERICAN E & S INSURANCE COMPANY
PROFESSIONAL AND CONTRACTING SERVICES ENVIRONMENTAL LIABILITY INSURANCE
POLICY

THIS POLICY CONTAINS SOME CLAIMS MADE AND REPORTED COVERAGES. READ IT CAREFULLY.

SOME OF THE COVERAGES CONTAINED WITHIN THIS POLICY REQUIRE THAT A CLAIM BE MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO THE COMPANY DURING THE POLICY PERIOD OR, IF APPLICABLE, THE EXTENDED REPORTING PERIOD.

SOME OF THE PROVISIONS CONTAINED IN THIS POLICY RESTRICT COVERAGE, SPECIFY WHAT IS AND IS NOT COVERED AND DESIGNATE RIGHTS AND DUTIES. LEGAL EXPENSE IS SUBJECT TO AND WILL ERODE THE LIMIT OF LIABILITY AND ANY APPLICABLE SELF-INSURED RETENTION.

In this Policy, "the Company" refers to the company providing this insurance. Some other words and phrases that appear in capital letters have special meaning. Refer to Section II – DEFINITIONS.

In consideration of the payment of the Policy Premium and in reliance upon the statements contained in the Application and any other supplemental materials and information submitted in connection with the Application, and subject to all the terms, conditions, exclusions and limitations of this Policy, the Company agrees to provide insurance coverage to the INSURED as described herein:

SECTION I. INSURING AGREEMENTS

EACH OF THE FOLLOWING COVERAGES IS IN EFFECT ONLY IF IT IS SCHEDULED IN THE DECLARATIONS. EACH COVERAGE THAT IS IN EFFECT IS SUBJECT TO SECTION VI. LIMIT OF LIABILITY AND SELF-INSURED RETENTION.

A. COVERAGE A – PROFESSIONAL LIABILITY

The Company will pay on behalf of the INSURED for LOSS and related LEGAL EXPENSE because of an actual or alleged act, error or omission in PROFESSIONAL SERVICES, which the INSURED becomes legally obligated to pay as a result of a CLAIM first made against the INSURED during the POLICY PERIOD, but only if the INSURED reports the CLAIM to the Company, in writing, during the POLICY PERIOD or, if applicable, the EXTENDED REPORTING PERIOD.

B. COVERAGE B – OCCURRENCE CONTRACTING SERVICES POLLUTION LIABILITY

The Company will pay on behalf of the INSURED for LOSS, CLEAN-UP COSTS, and related LEGAL EXPENSE because of a POLLUTION CONDITION arising from CONTRACTING SERVICES or COMPLETED OPERATIONS:

1. which the INSURED becomes legally obligated to pay as a result of a CLAIM because of BODILY INJURY, PROPERTY DAMAGE or ENVIRONMENTAL DAMAGE that occurs during the POLICY PERIOD; or
2. if, during the POLICY PERIOD:
 - a. the POLLUTION CONDITION first begins; and
 - b. the INSURED first discovers the POLLUTION CONDITION; and
 - c. the INSURED first reports the POLLUTION CONDITION to the Company in writing.

C. COVERAGE C – POLLUTION LEGAL LIABILITY ARISING FROM AN OWNED LOCATION

The Company will pay on behalf of the INSURED for LOSS, CLEAN-UP COSTS, and related LEGAL EXPENSE because of a POLLUTION CONDITION migrating from a COVERED LOCATION(S):

1. which the INSURED becomes legally obligated to pay as a result of a CLAIM first made against the INSURED during the POLICY PERIOD; or
2. if, during the POLICY PERIOD, the INSURED first discovers the POLLUTION CONDITION;

but only if:

- (i) the INSURED notifies the Company of the CLAIM or POLLUTION CONDITION, in writing, during the POLICY PERIOD or, if applicable, the EXTENDED REPORTING PERIOD; and
- (ii) the POLLUTION CONDITION originates at a COVERED LOCATION(S) and subsequently migrates from that location; and
- (iii) the POLLUTION CONDITION first begins and ends within a period of seven (7) consecutive days.

D. COVERAGE D - NON-OWNED DISPOSAL SITE

The Company will pay on behalf of the INSURED for LOSS, CLEAN-UP COSTS, and related LEGAL EXPENSE because of a POLLUTION CONDITION on, at, under or migrating from a NON-OWNED DISPOSAL SITE; which the INSURED becomes legally obligated to pay as a result of a CLAIM first made against the INSURED during the POLICY PERIOD, but only if the INSURED reports the CLAIM to the Company, in writing, during the POLICY PERIOD or, if applicable, the EXTENDED REPORTING PERIOD.

E. COVERAGE E – IN-BOUND AND OUT-BOUND CONTINGENT TRANSPORTATION COVERAGE

The Company will pay on behalf of the INSURED for LOSS, CLEAN-UP COSTS, and related LEGAL EXPENSE because of a POLLUTION CONDITION arising from the INSURED's goods, products or waste during the course of their transportation by a CARRIER to or from:

1. a JOB SITE where CONTRACTING SERVICES are being performed; or
2. a COVERED LOCATION(S);

including any loading or unloading of such goods, products or waste, which the INSURED becomes legally obligated to pay as a result of a CLAIM first made against the INSURED during the POLICY PERIOD, but only if the INSURED reports the CLAIM to the Company, in writing, during the POLICY PERIOD or, if applicable, the EXTENDED REPORTING PERIOD.

SECTION II. DEFINITIONS

- A. **ADDITIONAL NAMED INSURED** means any person, organization, or entity identified as an ADDITIONAL NAMED INSURED in an endorsement issued by the Company, but solely for their liability as specified in such endorsement.
- B. **AUTOMOBILE** means a land motor vehicle, trailer, semi-trailer, mobile equipment, or off-road motor vehicle, including any machinery or apparatus attached thereto.
- C. **BODILY INJURY** means:
 1. physical injury, sickness, disease, or building-related illness sustained by any person, including death resulting therefrom, and, solely with regard to this Item C.1., any accompanying medical or environmental monitoring; and
 2. mental anguish, emotional distress, or shock;

caused by a POLLUTION CONDITION.

- D. **CARRIER** means a person or entity, other than the INSURED or any subsidiary or affiliate company of the INSURED, engaged by or on behalf of the INSURED to transport material by AUTOMOBILE, aircraft, watercraft or rolling stock, but only if such person or entity is properly licensed to transport such material and in the business of transporting such material.
- E. **CLAIM** means a demand, notice or assertion of a legal right alleging liability or responsibility on the part of the INSURED, arising out of a POLLUTION CONDITION or an actual or alleged act, error or omission in PROFESSIONAL SERVICES, and shall include but not be limited to lawsuits, orders, petitions or governmental or regulatory actions, filed against the INSURED.
- F. **CLEAN-UP COSTS** means reasonable and necessary expenses incurred to investigate, remove, dispose of, abate, contain, treat or neutralize a POLLUTION CONDITION, including any monitoring and testing costs:
 - 1. to the extent required by Federal, State, Local or Provincial Laws, including but not limited to statutes, rules, ordinances, guidance documents, regulations and all amendments thereto, including state voluntary cleanup or risk based corrective action guidance, governing the liability or responsibilities of the INSURED; or
 - 2. in the absence of items in 1. above, to the extent recommended by a ENVIRONMENTAL PROFESSIONAL;

with respect to a POLLUTION CONDITION.

CLEAN-UP COSTS includes REPLACEMENT COSTS and also includes any associated punitive, exemplary or multiplied damages, where insurable by law.

- G. **COMPLETED OPERATIONS** means CONTRACTING SERVICES that are completed. COMPLETED OPERATIONS does not include any CONTRACTING SERVICES that have not been completed or have otherwise been abandoned. CONTRACTING SERVICES will be considered completed at the earliest of the following times:
 - 1. when all CONTRACTING SERVICES to be performed under the contract have been completed; or
 - 2. when all CONTRACTING SERVICES to be performed at the JOB SITE have been completed; or
 - 3. when that portion of the CONTRACTING SERVICES has been put to its intended use by any person or entity other than another contractor or subcontractor working on the same project.

CONTRACTING SERVICES that may require further maintenance, service, correction, repair or replacement, but are otherwise complete, shall be deemed completed.

- H. **CONTRACTING SERVICES** means any contracting services stated in the Declarations or scheduled as such onto this Policy by an endorsement issued by the Company, performed by or on behalf of the INSURED at a JOB SITE.
- I. **COVERED LOCATION(S)** means any location(s) stated in the Declarations or any location(s) scheduled as such onto this Policy by an endorsement issued by the Company. COVERED LOCATION(S) does not include a JOB SITE.
- J. **ENVIRONMENTAL DAMAGE** means physical injury to soil, surface water or groundwater arising from a POLLUTION CONDITION and resulting in CLEAN-UP COSTS. ENVIRONMENTAL DAMAGE does not include PROPERTY DAMAGE.
- K. **ENVIRONMENTAL PROFESSIONAL** means an individual designated by the Company who is duly certified or licensed in a recognized field of environmental science as required by a state board, a professional association, or both. The Company shall consult with the INSURED in conjunction with the selection of the ENVIRONMENTAL PROFESSIONAL. The Company may require that such professional meet certain minimum qualifications and maintain errors and omissions insurance.
- L. **EXTENDED REPORTING PERIOD** means the Automatic Extended Reporting Period or, if applicable, the Optional Extended Reporting Period described in Section V. of this Policy.

M. FIRST NAMED INSURED means the person or entity stated in the Declarations.

N. INSURED means:

1. the **FIRST NAMED INSURED**, any **ADDITIONAL NAMED INSURED**, and any present or former director, officer, partner, member, employee, leased or temporary worker thereof, while acting within the scope of his/her duties as such; and
2. any organization or entity in which the **FIRST NAMED INSURED** has an ownership interest of fifty percent (50%) or more, or otherwise has management control over, as of the inception date of this Policy; and
3. any joint ventures in which the **INSURED** is named as a co-venturer, but solely with regard to the **INSURED's** liability arising out of its **CONTRACTING SERVICES** provided under such joint venture; and
4. solely with regard to Coverage B under this Policy:

When required by written contract **INSURED** also includes the client for whom the **INSURED** performs **CONTRACTING SERVICES** provided that such contract was signed by the **INSURED** and such client prior to the date the **POLLUTION CONDITION** first commenced. However, the client is included as an **INSURED** under this Policy solely to the extent that the client is found liable based upon **CONTRACTING SERVICES** negligently performed by an **INSURED** other than the client. Coverage for such client under this Policy shall not exceed the lesser of the following amounts:

- i. the Limit of Liability required under such written contract; or
- ii. the applicable Coverage B Limit of Liability of this Policy.

O. JOB SITE means a location at which **CONTRACTING SERVICES** are performed. **JOB SITE** also includes real property rented or leased by the **INSURED** during the course of performing **CONTRACTING SERVICES** but only if such real property is utilized in direct support of such **CONTRACTING SERVICES**. However, **JOB SITE** does not include any of the following:

1. a **COVERED LOCATION(S)**; or
2. any location managed, operated, owned or leased by an **INSURED** or any subsidiary or affiliate of an **INSURED**; but this subparagraph 2. does not apply to a location that is managed, operated, owned or leased solely by one or more persons or organizations that are **INSUREDS** only by reason of subparagraph 4. of the definition of **INSURED**.

P. LEGAL EXPENSE means attorneys' fees and other charges and expenses incurred in the investigation, adjustment, defense, or settlement of any **CLAIM** for **LOSS** or **CLEAN-UP COSTS**, or in connection with the payment of any **CLEAN-UP COSTS**. **LEGAL EXPENSE** includes the fees and expenses of consultants, expert witnesses, accountants, court reporters, and other vendors, for goods or services in connection with such investigation, adjustment, defense, or settlement, whether incurred by the **INSURED**, defense counsel, or the Company.

LEGAL EXPENSE does not include salary charges of regular employees or officials of the Company, fees and expenses of supervisory counsel retained by the Company, or the time and expense incurred by the **INSURED** in assisting in the investigation or resolution of a **CLAIM** or in connection with **CLEAN-UP COSTS**, including but not limited to the costs of the **INSURED's** in-house counsel.

Q. LOSS means:

1. solely with regard to Coverage A, a monetary judgment, award or settlement of:
 - i. compensatory damages; or
 - ii. punitive, exemplary or multiplied damages, civil fines, penalties and assessments, where insurable by law.

LOSS does not include any:

- i. INSURED's return, refund, or disgorgement of any fee or other sum, whether or not the INSURED received it for PROFESSIONAL SERVICES, expenses, or otherwise;
 - ii. cost of complying with any injunctive or other equitable relief; or
 - iii. liquidated damages, whether such liquidated damages are pursuant to contract or otherwise.
2. with regard to any coverage(s) other than Coverage A, a monetary judgment, award or settlement of:
- i. compensatory damages; or
 - ii. punitive, exemplary or multiplied damages, civil fines, penalties and assessments, where insurable by law; because of BODILY INJURY or PROPERTY DAMAGE.
- R. **MOLD MATTER** means mold, mildew or any type or form of fungus; including any mycotoxins, spores, or byproducts produced or released by fungi.
- S. **NON-OWNED DISPOSAL SITE(S) ("NODS")** means a location(s) used for the treatment, storage or disposal of an INSURED'S waste material, but only if:
1. the waste material is generated by CONTRACTING SERVICES or at a COVERED LOCATION(S); and
 2. the NODS is not managed, operated, owned or leased by the INSURED or any subsidiary or affiliate of the INSURED; and
 3. the NODS is permitted and/or licensed by any Federal, State, Local or Provincial authorities to accept such material as of the date of the treatment, storage or disposal; and
 4. the NODS is not listed on a proposed or final Federal National Priorities List ("NPL") and any State or Provincial equivalent NPL, Superfund or Hazardous Waste list prior to the treatment, storage or disposal.
- T. **POLICY PERIOD** means the period stated in the Declarations. However, if this Policy is cancelled, by either the FIRST NAMED INSURED or the Company, the policy period ends at the effective date and time of the cancellation.
- U. **POLLUTANTS** mean any solid, liquid, gaseous or thermal pollutant, irritant or contaminant, including but not limited to smoke, vapors, odors, soot, fumes, acids, alkalis, toxic chemicals, hazardous substances, petroleum hydrocarbons, waste materials, including medical, infectious and pathological wastes, legionella, electromagnetic fields, MOLD MATTER and low-level radioactive waste and material.
- V. **POLLUTION CONDITION** means any one or more of the following:
1. the discharge, dispersal, release, seepage, migration, or escape of POLLUTANTS into or upon land or structures thereupon, the atmosphere, or any watercourse or body of water including groundwater;
 2. the illicit abandonment of POLLUTANTS at a COVERED LOCATION(S) provided that such abandonment was committed by a person(s) or entity(ies) other than an INSURED and without any knowledge by a RESPONSIBLE PERSON;
 3. the existence of MOLD MATTER on, at, or within buildings or structures.
- W. **PROFESSIONAL SERVICES** means any professional services stated in the Declarations, or otherwise scheduled as such onto this Policy by endorsement, performed by or on behalf of the INSURED.

X. PROPERTY DAMAGE means:

1. physical injury to or destruction of tangible property of third parties, including persons or organizations that are INSUREDS only by reason of subparagraph 4. of the definition of INSURED, including the resulting loss of use of such property, and including the personal property of such parties; or
2. loss of use of such property that has not been physically injured or destroyed; or
3. diminution in the value of such property; or
4. natural resource damage which means the physical injury to or destruction of, as well as the assessment of such injury or destruction, including the resulting loss of value of land, fish, wildlife, biota, air, water, groundwater, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the fishery conservation zone established by the Magnuson-Stevens Fishery Conservation and Management Act(16 U.S.C. 1801 et. seq.)), any State, Local or Provincial government, any foreign government, any Native American tribe, or, if such resources are subject to a trust restriction or alienation, any member of a Native American Tribe.

caused by a POLLUTION CONDITION. However, PROPERTY DAMAGE does not include CLEAN-UP COSTS or ENVIRONMENTAL DAMAGE.

- Y. REPLACEMENT COSTS** means reasonable and necessary costs incurred by the INSURED with the Company's written consent, to repair, restore or replace damaged real or personal property in order to restore the property to the condition it was in prior to being damaged in the course of incurring CLEAN-UP COSTS. REPLACEMENT COSTS shall not exceed the actual cash value of such real or personal property prior to incurring the CLEAN-UP COSTS. For the purposes of this definition, actual cash value means replacement cost reduced by physical depreciation and obsolescence.
- Z. RESPONSIBLE PERSON** means any officer, director or partner of the INSURED; the manager, foreman or supervisor of the INSURED responsible for environmental or health and safety affairs, control or compliance; or any manager of a COVERED LOCATION(S).

AA. UNDERGROUND STORAGE TANK means any container or vessel, including the associated piping connected thereto, which is ten percent (10%) or more beneath the surface of the ground.

SECTION III. TERRITORY

This Policy applies only to CLAIMS first made or brought in the United States, its territories or possessions, Puerto Rico or Canada, but only if the INSURED'S responsibility to pay for LOSS is determined in:

- A. a proceeding on the merits conducted in the United States, its territories or possessions, Puerto Rico or Canada; or
- B. a settlement agreed to by the Company.

SECTION IV. EXCLUSIONS

This insurance does not apply to any LOSS, CLEAN-UP COSTS, LEGAL EXPENSE or other coverage afforded under this Policy or any endorsement issued by the Company:

1. **Asbestos**
based upon or arising out of any asbestos or asbestos containing materials, in, on, or applied to any building or other structure at a COVERED LOCATION(S). This exclusion does not apply to asbestos, or asbestos containing materials, in soil or in any watercourse or body of water including groundwater.
2. **Communicable Diseases**
based upon or arising out of any exposure to infected humans or animals, or contact with bodily fluids of infected humans or animals.

3. Contractual Liability

based upon or arising from the INSURED's assumption, under any contract or agreement, of the liability of another. This exclusion does not apply to:

- (a) liability the INSURED would have had in the absence of the contract or agreement; or
- (b) solely with regard to Coverage B, a written contract that was signed by the INSURED and the INSURED's client prior to the date the POLLUTION CONDITION first commenced provided that the liability for the LOSS and/or CLEAN-UP COSTS arises directly from a POLLUTION CONDITION arising from CONTRACTING SERVICES or COMPLETED OPERATIONS and does not arise from the sole negligence of the client.

4. Criminal Fines, Penalties and Assessments

based upon or arising out of any criminal fine, criminal penalty, or criminal assessment.

5. Discrimination

based upon or arising out of discrimination by any INSURED on the basis of age, creed, disability, marital status, national origin, race, sex, sexual orientation, or any other unlawful or illegal basis. This exclusion does not apply to CLAIMS under Coverage A arising from the INSURED's failure to make reasonable accommodation under the Americans With Disabilities Act, or amendments thereto.

6. Employer's Liability/Workers' Compensation

based upon or arising out of any BODILY INJURY to an INSURED, or an employee of its parent, subsidiary or affiliate, arising out of and in the course of employment by the INSURED or its parent or subsidiary or affiliate, including BODILY INJURY or pecuniary loss to the spouse, child, parent, brother or sister of such injured employee. This exclusion applies whether the INSURED may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay another who must pay damages as a result of the BODILY INJURY.

This exclusion does not apply to liability assumed by the INSURED under a written contract that was signed by the INSURED and the INSURED's client prior to the date the POLLUTION CONDITION first commenced, provided that the LOSS arises directly from a POLLUTION CONDITION arising from CONTRACTING SERVICES and does not arise from the sole negligence of the client.

7. Faulty Workmanship/Own Work

based upon or arising out of the costs to repair or replace faulty workmanship, construction, fabrication, installation, assembly or remediation, if such faulty workmanship, construction, fabrication, installation, assembly or remediation was performed in whole or in part by an INSURED. This exclusion shall not apply to LOSS under Coverage A which arises from an actual or alleged act, error or omission in PROFESSIONAL SERVICES.

8. Hostile Acts

based upon or arising out of any consequence, whether direct or indirect, of declared or undeclared war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection, or military or usurped power, or in defending against any one or more of those.

9. Insured vs. Insured

based upon or arising out of any CLAIM by one INSURED against any other INSURED. This exclusion does not apply to a CLAIM (i) made by a person or organization that is an INSURED only by reason of subparagraph 4. of the definition of INSURED; or (ii) that arises out of an indemnification given by one INSURED to another INSURED as specified in a contract that was submitted and approved by the Company and added to this Policy by endorsement.

10. Insured's Property/Bailee Liability

with respect to property damage to property owned, leased or operated by, or in the care, custody or control of, the INSURED, even if such property damage is incurred to avoid or mitigate LOSS or CLEAN-UP COSTS which may be covered under this Policy.

This exclusion does not apply to:

- (a) REPLACEMENT COSTS; or

- (b) property owned, leased or operated by, or in the care, custody or control of, a person or organization that is an INSURED only by reason of subparagraph 4. of the definition of INSURED; or
- (c) real property rented or leased by the INSURED during the course of performing CONTRACTING SERVICES but only if such real property is utilized in direct support of such CONTRACTING SERVICES.

11. Intentional Acts

based upon or arising out of:

- (a) a POLLUTION CONDITION that results from any RESPONSIBLE PERSON's intentional disregard of, or deliberate, willful, or dishonest non-compliance with, any statute, regulation, ordinance, administrative complaint, notice letter, or instruction by or on behalf of any governmental agency or representative; or
- (b) any dishonest, criminal, fraudulent, negligent misrepresentation or knowingly wrongful conduct, in the performance of, or failure to perform, PROFESSIONAL SERVICES, on the part of, or at the direction of, any INSURED.

12. Known Condition(s)

based on or arising out of any POLLUTION CONDITION, or out of any actual or alleged act, error or omission in PROFESSIONAL SERVICES, that was known by or reported to any RESPONSIBLE PERSON, and was not expressly reported in writing to the Company, before:

- (a) the beginning of the POLICY PERIOD (as respects a POLLUTION CONDITION at any COVERED LOCATION(S), or arising out of any CONTRACTING SERVICES, or arising out of any PROFESSIONAL SERVICES, shown in the Declarations at the beginning of the POLICY PERIOD), or
- (b) the Company issues an endorsement to add:
 - i. the COVERED LOCATION(S) at which the POLLUTION CONDITION exists, or
 - ii. the CONTRACTING SERVICES from which the POLLUTION CONDITION arises, or
 - iii. the PROFESSIONAL SERVICES from which the actual or alleged act, error or omission arises,

to the Policy (as respects a POLLUTION CONDITION at any COVERED LOCATION(S), or arising out of any CONTRACTING SERVICES, or arising out of any PROFESSIONAL SERVICES, that was not shown in the Declarations at the beginning of the POLICY PERIOD).

Any POLLUTION CONDITION, or actual or alleged act, error or omission in PROFESSIONAL SERVICES, that was both (i) known by or reported to any RESPONSIBLE PERSON and (ii) expressly reported in writing to the Company, before the applicable time described in (a) or (b), and which is not otherwise excluded from coverage under this Policy by endorsement, will be deemed to have been first discovered on the date the COVERED LOCATION(S), CONTRACTING SERVICES, or PROFESSIONAL SERVICES, as applicable, first became insured by this Policy.

13. Lead-Based Paint

based upon or arising out of lead-based paint in, on, or applied to, any building or other structure at a COVERED LOCATION(S). This exclusion does not apply to lead-based paint in soil or in any watercourse or body of water including groundwater.

14. Material Change in Use

based upon or arising out of a change in the use of, or operations at, a COVERED LOCATION(S) from the use or operations as of the date the COVERED LOCATION(S) became insured by this Policy, if that change materially increases the likelihood or severity of a POLLUTION CONDITION or CLAIM.

15. Natural Occurring Material(s)

based upon or arising out of the existence, required removal, or abatement, of naturally occurring material(s). This exclusion does not apply where such substances are present at a JOB SITE due to the performance of CONTRACTING SERVICES or at a COVERED LOCATION(S) only because of human activities or processes. This exclusion also does not apply to MOLD MATTER.

- 16. New Pollution Conditions at Divested Property**
based upon or arising out of a POLLUTION CONDITION on, at, under or migrating from a COVERED LOCATION(S), if the discharge, dispersal, release, seepage, migration or escape of those POLLUTANTS begins after such COVERED LOCATION(S) is sold, given away, or abandoned by the INSURED, or condemned.
- 17. Other Businesses**
based upon or arising out of any INSURED's status, duties, or involvement as an officer, director, partner, member, participant, stockholder, employer or employee of any business or organization that is not stated in the Declarations or otherwise designated as or added to this Policy as an INSURED.
- 18. Prior Claims**
based upon or arising out of any CLAIM reported under any insurance policy that was both (a) in effect before the beginning of the Policy Period shown in the Declarations and (b) issued by an entity other than the Company.
- 19. Products Liability**
based upon or arising out of goods or products manufactured, sold, handled, distributed, altered or repaired by the INSURED or by others trading under the INSURED's name, including any container thereof, any failure to warn, or any reliance upon a representation or warranty made at any time with respect thereto. This exclusion does not apply to such goods or products while they remain within the legal boundaries of a COVERED LOCATION(S).
- 20. Retroactive Date**
based upon or arising out of:
- (a) a POLLUTION CONDITION that first commenced prior to the Retroactive Date stated in the Declarations, including any further dispersal, migration or movement of that POLLUTION CONDITION on or after that date.
 - (b) an actual or alleged act, error or omission that first commenced prior to the Retroactive Date stated in the Declarations, including any continuous or related actual or alleged act(s), error(s) or omission(s) on or after that date.
- 21. Related Entities and/or Individuals**
based upon or arising out of a CLAIM made by an entity or individual that wholly or partially owns an INSURED, or in which an INSURED owns an interest in excess of twenty percent (20%), or that is managed, operated or otherwise controlled by an INSURED, or in which an INSURED is a principal, officer or director.
- 22. Separately Insured Project**
based upon or arising out of any CONTRACTING SERVICES, JOB SITE, PROFESSIONAL SERVICES, or project that is insured under a valid and collectible project-specific insurance policy, owner protective insurance policy, owner-controlled insurance policy, contractor-controlled insurance policy, wrap-up policy, or similar insurance program, under which an INSURED is covered. This exclusion does not apply where the Company specifically schedules such project as an insured project in an endorsement attached to this Policy.
- 23. Surety, Insurance or Bonding**
based upon or arising out of obtaining, requiring, acquiring, or maintaining any form of surety, insurance or bond, or any failure to do any of those.
- 24. Underground Storage Tank(s)**
based upon or arising out of the existence of any UNDERGROUND STORAGE TANK(S) at a COVERED LOCATION(S). This exclusion does not apply to an UNDERGROUND STORAGE TANK:
- (a) that is either closed, abandoned in place or removed, in accordance with all applicable federal, state, or provincial regulations, prior to the inception date of this Policy; or
 - (b) that is endorsed to this Policy in the Underground Storage Tank(s) and Associated Piping Schedule, if any; or
 - (c) the existence of which is unknown by all RESPONSIBLE PERSONS as of the inception date of this Policy.

25. Vehicles

based upon or arising out of the ownership, maintenance, use, operation, loading or unloading of any AUTOMOBILE, aircraft, watercraft, rolling stock or any other form of transportation, including any cargo carried thereby, beyond the legal boundaries of a JOB SITE where CONTRACTING SERVICES are being performed or a COVERED LOCATION(S). This exclusion does not apply to Coverage E.

26. Warranties

based upon or arising out of any express warranty or guarantee. This exclusion does not apply to a warranty or guarantee by the INSURED that its CONTRACTING SERVICES or PROFESSIONAL SERVICES conform to generally accepted standards.

SECTION V. EXTENDED REPORTING PERIOD

The provisions of Section V. apply to any and all coverage provided by this Policy, or by any endorsement issued by the Company, that applies on a Claims Made and Reported basis.

A. Automatic Extended Reporting Period

In the event of the termination of this insurance before the expiration date shown in the Declarations, the INSURED shall be entitled to a ninety (90) day Automatic Extended Reporting Period for no additional premium. The Automatic Extended Reporting Period shall apply as follows:

- (1) A CLAIM first made against the INSURED during the POLICY PERIOD and reported to the Company, in writing, during the ninety (90) days immediately following the effective date of such termination will be deemed to have been made on the last day of the POLICY PERIOD, provided such CLAIM is otherwise covered by this Policy.
- (2) A CLAIM first made against the INSURED and reported to the Company, in writing, during the ninety (90) days immediately following the effective date of such termination will be deemed to have been made on the last day of the POLICY PERIOD, provided such CLAIM arises from:
 - (a) a POLLUTION CONDITION first discovered and reported to the Company, in writing, prior to such termination, and is otherwise covered by this Policy; or
 - (b) an actual or alleged act, error or omission in PROFESSIONAL SERVICES performed prior to such cancellation or non-renewal, and is otherwise covered by this Policy.

The Automatic Extended Reporting Period does not apply where:

- (1) the Policy is terminated for fraud or non-payment of premium; or
- (2) the INSURED has purchased other insurance to replace the insurance provided under this Policy.

For the purposes of Section V.A. – Automatic Extended Reporting Period, under this Policy:

- (1) either cancellation or non-renewal shall be deemed to be a termination of this insurance; and
- (2) in the event of non-renewal, the expiration date shown in the Declarations shall be deemed the effective date of the termination.

B. Optional Extended Reporting Period

The FIRST NAMED INSURED shall be entitled to purchase an Optional Extended Reporting Period upon cancellation or non-renewal of the Policy, subject to the following terms and conditions:

The FIRST NAMED INSURED shall be entitled to purchase an Optional Extended Reporting Period upon payment of an additional premium of not more than 200% of the full Policy Premium.

The Optional Extended Reporting Period shall be effective for three (3) consecutive three-hundred and sixty-five (365) day periods commencing immediately following the effective date of cancellation or non-renewal. The FIRST NAMED INSURED must elect to purchase this Optional Extended Reporting Period in writing within thirty (30) days from the cancellation or non-renewal of the Policy. The Automatic Extended Reporting Period of ninety (90) days will be merged into this period and is not in addition to this period.

The Optional Extended Reporting Period shall only apply to CLAIMS first made against the INSURED during the Optional Extended Reporting Period, but only by reason of:

- (a) a POLLUTION CONDITION that is first discovered and reported to the Company, in writing, during the POLICY PERIOD and otherwise covered by this Policy; or
- (b) an actual or alleged act, error or omission in PROFESSIONAL SERVICES performed prior to such cancellation or non-renewal, and is otherwise covered by this Policy.

The Optional Extended Reporting Period does not apply where: (1) the Policy is terminated for fraud or non-payment of premium; or (2) the INSURED has purchased other insurance to replace the insurance provided under this Policy.

For the purposes of Section V.B. -- Optional Extended Reporting Period under this Policy:

- (a) either cancellation or non-renewal shall be deemed to be a termination of this insurance; and
- (b) in the event of non-renewal, the expiration date shown in the Declarations shall be deemed the effective date of the termination.

It is a condition precedent to the operation of the rights granted under Section V.B. that payment of the appropriate premium shall be made not later than thirty (30) days after expiration in the case of non-renewal or prior to cancellation in the case of cancellation.

For purposes of Section V., the Company's quotation of different Limits of Liability, Self-Insured Retentions, terms or conditions shall not be construed as either a termination of, or a decision not to renew, this Policy.

SECTION VI. LIMIT OF LIABILITY AND SELF-INSURED RETENTION

- A. The Limits of Liability and Self-Insured Retention shown in the Declarations and the rules below fix the most the Company will pay regardless of the number of INSUREDS, COVERED LOCATION(S), CONTRACTING SERVICES, PROFESSIONAL SERVICES, POLLUTION CONDITIONS, CLAIMS made, or persons or organizations making CLAIMS.
- B. For purposes of this Policy, the same or related POLLUTION CONDITIONS at any one JOB SITE where CONTRACTING SERVICES are performed, or at any one COVERED LOCATION, shall be deemed a single POLLUTION CONDITION. For purposes of this Policy, all of a group or series of related or connected actual or alleged acts, errors and omissions in PROFESSIONAL SERVICES shall be deemed a single actual or alleged act, error or omission in PROFESSIONAL SERVICES.
- C. This Policy will pay covered LOSS, CLEAN-UP COSTS, LEGAL EXPENSE or any other coverages afforded under this Policy or any endorsements attached hereto only (1) in excess of the applicable Self-Insured Retention Amount stated in the Declarations and (2) subject to the applicable Limit of Liability stated in the Declarations and the other terms and conditions of this Policy.
- D. The Self-Insured Retention Amount is to be borne by the INSURED and is not to be insured unless the Company has expressed its prior consent in writing to the FIRST NAMED INSURED. If the same or related POLLUTION CONDITION or actual or alleged act, error or omission in PROFESSIONAL SERVICES, results in coverage under more than one coverage section for which a limit is stated in the Declarations, or under any other coverage afforded under this Policy or any endorsements attached hereto, only the single highest Self-Insured Retention amongst such applicable coverages shall apply to that POLLUTION CONDITION or actual or alleged act, error or omission in PROFESSIONAL SERVICES, as applicable.

- E. Each POLLUTION CONDITION Limit - Subject to Items G. and H. below, the most the Company will pay for the sum of all LOSS, CLEAN-UP COSTS, and LEGAL EXPENSE under each coverage section stated in the Declarations, or under any other coverages afforded under this Policy or any endorsements attached hereto, arising out of the same or related POLLUTION CONDITION is the Each POLLUTION CONDITION Limit applicable to that particular coverage.
- F. Each Act, Error or Omission Limit - Subject to Items G. and H. below, the most the Company will pay for all LOSS and LEGAL EXPENSE under Coverage A arising out of any one actual or alleged act, error or omission, or out of any one group or series of related or connected actual or alleged acts, errors and omissions, in PROFESSIONAL SERVICES is the Each Act, Error or Omission Limit stated in the Declarations.
- G. Coverage Section Aggregate Limit - Subject to Item H. below, the Company's total liability for the sum of all LOSS, CLEAN-UP COSTS, and LEGAL EXPENSE under each coverage section stated in the Declarations, or under any other coverages afforded under this Policy or any endorsements attached thereto, during the POLICY PERIOD or EXTENDED REPORTING PERIOD, if applicable, shall not exceed the Coverage Aggregate Limit of Liability applicable to that particular coverage.
- H. Policy Aggregate Limit - The Company's total liability for the sum of all LOSS, CLEAN-UP COSTS, LEGAL EXPENSE and any other coverages afforded under this Policy or any endorsements attached thereto, shall not exceed the Policy Aggregate Limit of Liability as stated in the Declarations.
- I. Progressive, indivisible BODILY INJURY, PROPERTY DAMAGE or ENVIRONMENTAL DAMAGE over more than one POLICY PERIOD, and resulting from the same or related POLLUTION CONDITION, shall be considered to have occurred only in the POLICY PERIOD in which the first exposure to the POLLUTION CONDITION takes place. If the date of that first exposure (1) is prior to the beginning of the Policy Period of the first Contracting Services Environmental Liability Policy issued to the INSURED by the Company, or (2) cannot be determined, then such progressive, indivisible BODILY INJURY, PROPERTY DAMAGE or ENVIRONMENTAL DAMAGE shall be considered to have occurred only on the first day of the Policy Period of the first Contracting Services Environmental Liability Policy issued to that INSURED by the Company.
- J. Any LOSS, CLEAN-UP COSTS, LEGAL EXPENSE or any other coverages afforded under this Policy or any endorsements attached hereto, incurred and reported to the Company, in writing, over more than one POLICY PERIOD, and resulting from the same or related POLLUTION CONDITION or, the same or related actual or alleged act, error or omission in PROFESSIONAL SERVICES, shall be considered a single POLLUTION CONDITION or a single actual or alleged act, error or omission in PROFESSIONAL SERVICES, respectively. The LOSS, CLEAN-UP COSTS, LEGAL EXPENSE or any other coverages afforded under this Policy or any endorsements attached thereto will be subject to the same Limit of Liability and Self-Insured Retention Amount(s) in effect at the time the POLLUTION CONDITION, or actual or alleged act, error or omission in PROFESSIONAL SERVICES, as applicable, was first reported to the Company in writing during the POLICY PERIOD or an applicable EXTENDED REPORTING PERIOD.

SECTION VII. REPORTING, DEFENSE, SETTLEMENT AND COOPERATION

- A. As a condition precedent to the coverage hereunder, in the event a CLAIM is made against the INSURED for LOSS or CLEAN-UP COSTS, or a POLLUTION CONDITION is first discovered that results in a LOSS or CLEAN-UP COSTS, written or oral notice containing particulars sufficient to identify the INSURED and all reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, shall be given by or for the INSURED to the Company or any of its authorized agents as soon as practicable. In the event of oral notice, the INSURED agrees to furnish a written report as soon as practicable. The INSURED shall also forward to the Company every demand, notice, summons, order or other process received by the INSURED or the INSURED's representative as soon as practicable.
- B. No costs, charges or expenses shall be incurred, nor payments made, obligations assumed or remediation commenced, without the Company's consent which shall not be unreasonably withheld. This provision does not apply to costs incurred by the INSURED on an emergency basis, where delay on the part of the INSURED would cause injury to persons or damage to property or increase significantly the cost of responding to a POLLUTION CONDITION. The INSURED shall notify the Company of all such expenses immediately after the emergency ends.

- C. The Company shall have the right to designate legal counsel for the investigation, adjustment and defense of CLAIMS. The Company shall consult with the INSURED in conjunction with the selection of counsel. The Company shall have the right and duty to defend an INSURED against any CLAIM for LOSS or for CLEAN-UP COSTS, however, the Company will have no duty to defend the INSURED for LOSS or for CLEAN-UP COSTS to which this Policy does not apply.
- D. Once the applicable Limit of Liability has been exhausted, the Company shall not be obligated to defend or continue to defend any CLAIM or pay for any LOSS, CLEAN-UP COSTS or other coverage afforded under this Policy.
- E. The Company may, where allowable by law, appoint one counsel to defend all of the INSUREDs under this Policy on a joint defense basis.
- F. In the event that the INSURED is entitled by law to select independent counsel (Cumis Counsel) to defend the INSURED at the Company's expense, that counsel's fees and all other litigation expenses charged to or paid by the Company shall be limited to the same rates that the Company would pay to counsel selected by the Company to defend a similar CLAIM in the location where the CLAIM arose or is being defended. The Company may require that such counsel meet certain minimum qualifications and maintain adequate errors and omissions insurance. The INSURED agrees that such counsel will timely respond to the Company's request for information.
- G. The INSURED shall not admit liability or settle any CLAIM without the Company's consent. If the Company recommends a monetary settlement of a CLAIM acceptable to a claimant:
1. for an amount within the Self-Insured Retention Amount and the INSURED refuses such settlement, the Company shall not be liable for any LOSS, CLEAN-UP COSTS, LEGAL EXPENSE, or any other coverages afforded under this Policy or any endorsements attached hereto, in excess of the Self-Insured Retention Amount; or
 2. for a total amount in excess of the Self-Insured Retention and within the applicable Limits of Liability and the INSURED refuses such settlement, the Company's liability for LOSS, CLEAN-UP COSTS, LEGAL EXPENSE, or any other coverages afforded under this Policy or any endorsements attached hereto, shall be limited to that portion of the sum of (a) the recommended settlement and (b) the costs, charges and expenses already incurred as of the date of the INSURED's refusal, which exceeds the Self-Insured Retention Amount and is within the Limit of Liability.
- H. All INSUREDs shall cooperate with the Company and upon the Company's request shall submit to examination by a representative of the Company, under oath if required, and shall attend hearings, depositions and trials and shall assist in effecting settlement, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suits, as well as in the investigation and/or defense, all without charge to the Company. The INSURED shall further cooperate with the Company and do whatever is necessary to secure and enforce any rights of indemnity, contribution or apportionment which the INSURED may have.
- I. If during the POLICY PERIOD the INSURED first becomes aware of an actual or alleged act, error or omission in PROFESSIONAL SERVICES that first commenced on or after the Retroactive Date stated in the Declarations which the INSURED reasonably believes may result in a CLAIM (herein referred to as a Circumstance), the INSURED may provide written notice to the Company during the POLICY PERIOD containing all of the information stated below. Any such Circumstance that subsequently becomes a CLAIM made against the INSURED and reported to the Company, in writing, within three (3) years after the end of the POLICY PERIOD shall be considered to have been first made and reported during the POLICY PERIOD and shall be subject to all of the terms and conditions of this Policy. It is a condition precedent to the coverage under this provision that such written notice to the Company of a Circumstance contain all of the following information:
1. details of the actual or alleged act, error or omission in PROFESSIONAL SERVICES, including the specific PROFESSIONAL SERVICES involved; and
 2. the injury or damage that has taken place or may result; and
 3. the date the actual or alleged act, error or omission in PROFESSIONAL SERVICES took place; and
 4. the identity of the INSURED(s) who may be the subject of any subsequent CLAIM; and
 5. the likely location of any subsequent CLAIM; and
 6. the names and addresses of all known potential witnesses and claimants; and
 7. details of how the INSURED became aware of the Circumstance.

The Company shall determine, in its sole reasonable judgment, whether an INSURED's written notice adequately supplies the information described in 1. through 7. and satisfies the condition precedent.

This provision I. applies only to Coverage A.

SECTION VIII. TRANSFER OF LEGAL DEFENSE DUTIES

- A. If the Company believes that any of the applicable Limits of Liability stated in the Declarations has been or soon will be exhausted in defending a CLAIM, or that the Company has paid out or will soon pay out the Policy Aggregate Limit of Liability stated in the Declarations, the Company will so notify the FIRST NAMED INSURED in writing as soon as possible. The Company will advise that its duty to defend CLAIMS seeking damages subject to those limits has terminated, subject to payment of the limits, and that it will no longer handle the defense of any CLAIM for which notice is given after the date it sends out such notice. The Company will take prompt and appropriate steps to transfer control of any existing defense prior to exhaustion of the limits to the FIRST NAMED INSURED. The FIRST NAMED INSURED agrees to reimburse the Company for any costs which the Company bears in connection with the transfer of the defense.
- B. The Company will take appropriate steps necessary to defend the CLAIM during the transfer of the defense and avoid any unfavorable legal action provided that the INSURED cooperates in the transfer of the duties of the defense.
- C. The Company's failure to comply with any of the provisions of Section VIII. shall in no way obligate the Company to defend or continue to defend any CLAIM, or to pay any LOSS, CLEAN-UP COSTS or other sum covered under this Policy, after exhaustion of an applicable Limit of Liability.

SECTION IX. CONDITIONS

- A. **ACTION AGAINST COMPANY** - No action brought by an organization or entity, other than an INSURED, shall lie against the Company unless, as a condition precedent thereto, the INSURED has fully complied with all of the terms of this Policy and, the amount of the INSURED's obligation to pay shall have been finally determined either by judgment against the INSURED after actual trial or by written agreement of the INSURED, the claimant and the Company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall, thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy. No person or organization shall have any right under this Policy to join the Company as a party to any action against the INSURED to determine the INSURED's liability, nor shall the Company be impleaded by the INSURED or his legal representative.

- B. **ASSIGNMENT** - This Policy shall be void as to the assignee or transferee, if assigned or transferred without written consent of the Company.
- C. **BANKRUPTCY** - Bankruptcy or insolvency of the INSURED or of the INSURED's estate shall not relieve the Company of any of its obligations hereunder.
- D. **CANCELLATION** - This Policy may be cancelled by the FIRST NAMED INSURED by surrender thereof to the Company or any of its authorized agents or by mailing to the Company written notice stating when thereafter the cancellation shall be effective. In the event of cancellation by the FIRST NAMED INSURED, the return premium shall be computed in accordance with the customary short rate table and procedure after applying the minimum earned premium percentage stated in the Declarations. If a CLAIM is made, a POLLUTION CONDITION is discovered or coverage is otherwise afforded under this Policy, then the premium shall be considered fully earned by the Company and the INSURED is not entitled to a return premium upon cancellation.

This Policy may be cancelled by the Company by mailing to the FIRST NAMED INSURED at the address shown in the Declarations, written notice stating when not less than ninety (90) days [ten (10) days for non-payment of premium] thereafter such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the POLICY PERIOD. If the Company cancels, earned premium shall be computed pro rata. Premium adjustment

may be made either at the time cancellation is affected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

This Policy may be cancelled by the Company for the following reasons: (1) Non-payment of premium, or (2) Fraud or material misrepresentation on the part of the INSURED, such as can be proven in a court of law.

- E. CHANGES** - Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Policy or estop the Company from asserting any right under the terms of this Policy; nor can the terms of this Policy be waived or changed, except by an endorsement issued by the Company to form a part of this Policy.
- F. CHOICE OF LAW** - All matters arising hereunder, including questions related to the validity, interpretation, performance and enforcement of this Policy, shall be determined in accordance with the law and practice of the State of New York (not including New York's choice of law rules).
- G. CONSENT** - Where the consent of the Company or the INSURED is required under this Policy, such consent shall not be unreasonably withheld, delayed, conditioned or denied.
- H. DECLARATIONS AND REPRESENTATIONS** - By acceptance of this Policy, the INSURED agrees that the statements contained in the Declarations, the application and any other supplemental materials and information submitted in connection with the application or any amendments to the Policy during the POLICY PERIOD are the INSURED's declarations and representations, that they shall be deemed material, that this Policy is issued in reliance upon the truth of such declarations and representations and that this Policy embodies all agreements existing between the INSURED and the Company or any of its agents relating to this insurance.
- I. HEADINGS** - The descriptions in the headings of this Policy are solely for convenience and form no part of the Policy terms and conditions.
- J. INSPECTION AND AUDIT** - The Company shall be permitted but not obligated to inspect and monitor on a continuing basis the INSURED's property or operations and any JOB SITE and COVERED LOCATION(S), at any time. Neither the Company's right to make inspections and monitor, nor the actual undertaking thereof, nor any report thereon, shall constitute an undertaking, on behalf of the INSURED or others, to determine or warrant that property or operations are safe, healthful or conform to acceptable engineering practice or are in compliance with any law, rule or regulation. Access for the inspection and audit will be coordinated through the broker or agent of the FIRST NAMED INSURED.
- K. JURISDICTION AND VENUE** - It is agreed that in the event of the failure of the Company to pay any amount claimed to be due hereunder, the Company and the INSURED will submit to the jurisdiction of the State of New York and will comply with all the requirements necessary to give such court jurisdiction. Nothing in this clause constitutes or should be understood to constitute a waiver of the Company's right to remove an action to a United States District Court.
- L. OTHER INSURANCE** - Subject to Section VI., Limit of Liability and Self-Insured Retention, this insurance shall apply only in excess of the sum of the Self-Insured Retention amount stated in the Declarations and the applicable limits of any other valid and collectible insurance available to the INSURED, whether such other insurance is stated to be primary, pro rata, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over the applicable Limits of Liability of this Policy.
- M. SEVERABILITY** - Except with respect to the Limits of Liability, Self-Insured Retention, Exclusion 9. ("Insured vs. Insured") and any rights and duties assigned in this Policy to the FIRST NAMED INSURED, this insurance applies as if each INSURED were the only INSURED and separately to each INSURED against whom a CLAIM is made. Any misrepresentation, act or omission that is in violation of a term, duty or condition under this Policy by one INSURED shall not by itself affect coverage for another INSURED under this Policy. This Condition M. shall not apply to an INSURED who is a parent, subsidiary or affiliate of the INSURED which committed the misrepresentation, act or omission referenced above.
- N. SOLE AGENT** - The FIRST NAMED INSURED stated in the Declarations shall act on behalf of all INSUREDS for the payment or return of premium, receipt and acceptance of any endorsement issued to form a part of this Policy, giving and receiving notice of cancellation or non-renewal, and the exercise of the rights provided under Section V., EXTENDED REPORTING PERIOD.

O. SUBROGATION - If the INSURED has rights to recover, from another person or organization, all or any part of a payment the Company makes under this Policy, those rights are transferred to the Company. The INSURED shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The INSURED shall do nothing to prejudice such rights. Any monies recovered as a result of subrogation proceedings shall accrue first to the INSURED to the extent of any payments it made in excess of the limits of liability, then to the Company to the extent of its payment under the Policy, and then to the INSURED to the extent of its payment of the self-insured retention. Expenses incurred in such subrogation proceedings shall be apportioned amongst the INSURED and Company in the proportion that each interested party's share in the recovery bears to the total recovery.



ZURICH

Zurich American Insurance Company
 (A stock company herein called the Company)
 1400 American Lane, Schaumburg, Illinois 60196-1056

PROJECT CERTIFICATE

CERTIFICATE PERIOD 12-04-2012 to 04-02-2013 CERTIFICATE NUMBER CRT 9172108 - 00

This Certificate follows terms and conditions of ZURICH AMERICAN INSURANCE COMPANY Policy MBR 9805359 - 00

This certificate neither affirmatively nor negatively amends, extends or alters the coverage, limits, terms or conditions of the Master policy unless expressly stated herein.

NAMED INSURED (include address)	The City and County of San Francisco 525 Golden Gate Avenue, 8 th Floor San Francisco, CA 94102	TOTAL DEPOSIT PREMIUM	\$	Included
		Builders Risk Premium	\$	Included
ADDITIONAL NAMED INSUREDS (include address)	Monterey Mechanical Company 8275 San Leandro St Oakland, CA 94621	Terrorism Premium	\$	Included
		ANNUAL RATES		
MORTGAGEE (include address)		Builders Risk	Various	/ \$100
		Delay In Completion	Not Covered	/ \$100
LOSS PAYEE (include address)		Terrorism	Various	/ \$100
		Earthquake	Various	/ \$100
LOCATION OF INSURED PROJECT* (Complete street address)	1701 Jerrold Avenue San Francisco, CA 94124	Flood	Various	/ \$100
		Named Storm / Month	Not Covered	/ \$100
DESCRIPTION OF INSURED PROJECT* Structural type, size, material type, occupancy, etc. If renovation or rehab, be specific.	Project - WW-574 (E) Emergency Repair of Digester #2 Roof at SEWPCC Digester Tank #2 Emergency Roof Repair Project No. WW-574 (E). Tank to be dewatered of sludge, metal floating roof repair and coatings	Hot Testing / Month	Not Covered	/ \$100
		Damage To Existing Property	Not Covered	/ \$100
COVERAGE (Place X in all applicable coverage blocks)	All Risk			
	Terrorism			
	Contractor's Wrap Around			
	Deductible Buy-Back			
	Delay In Completion			
	Hot Testing			
	Damage To Existing Property	Limited	X	
		All Risk		

CERTIFICATE NUMBER: CRT 9172108 - 00

Estimated TOTAL PROJECT VALUE* Declared at Policy Inception		
a.	Total value of all Covered Property, LANDSCAPING MATERIALS* , all labor costs that will be expended in the INSURED PROJECT* , site general conditions, construction management fees, and contractor's profit and overhead; plus	\$ 996,000
b.	Total value of all Covered Property not declared in a. above supplied by the project owner(s) or other(s), for which the insured has assumed responsibility and that will become part of the INSURED PROJECT* ; plus	\$ 0
c.	Value of existing property to be insured (All Risk Form)	\$ 0
d.	Estimated TOTAL PROJECT VALUE* Declared at Policy Inception (a., b., and c., combined)	\$ 996,000

STANDARD COVERAGE TERMS

(Coverage shall only apply under this Certificate to those individual Limits, Sub-limits and Aggregate Limits for which a value is entered below)

LIMIT OF LIABILITY	\$ <u>996,000</u>	Any One OCCURRENCE* During The Certificate Period
SUB-LIMITS OF LIABILITY Sublimits per OCCURRENCE* except Delay In Completion as Certificate Aggregate	a. \$ <u>996,000</u> b. \$ <u>Not Covered</u> c. \$ <u>996,000</u> d. \$ <u>996,000</u> e. \$ <u>1,500</u> f. \$ <u>250,000</u> g. \$ <u>250,000</u> h. \$ <u>100,000</u> i. \$ <u>75,000</u> j. \$ <u>75,000</u> k. \$ <u>996,000</u> l. \$ <u>500,000</u> m. \$ <u>25,000</u> n. \$ <u>996,000</u> o. \$ <u>996,000</u>	Physical Damage Coverage to the INSURED PROJECT* Delay In Completion (See coverage terms below for specific sublimits) Physical Damage To Property In Transit - Any One Conveyance Physical Damage To Property In Temporary Offsite Locations - Any One Location Maximum any one item - Trees, Plants and Shrubs Architects and Engineers Fees Or 25% Of the amount of insured physical loss or damage to property insured, whichever is less - Expediting Expense and Contractor's Extra Expense, combined Physical Damage To Plans, Blueprints, Drawings, Renderings, Specifications Or Other Contract Documents And Models At The Insured Project Fire Department Service Charges Fire Protective Equipment Refills Or 25% Of the amount of insured physical loss or damage to Covered Property, whichever is less - Debris Removal Coverage Emergency Property Protection Expense - in the Certificate Term Claims Preparation Costs Ordinance Or Law / Demolition & Increased Cost of Construction Damage To Existing Property (Limited)
ANNUAL AGGREGATES Aggregate limits apply to each annual period within this Certificate beginning on the Certificate inception date.	a. \$ <u>996,000</u> b. \$ <u>996,000</u> c. \$ <u>Not Covered</u> d. \$ <u>996,000</u>	By The Peril Of EARTHQUAKE* By The Peril Of FLOOD* By The Peril Of NAMED STORM* By The Peril Of WATER DAMAGE*
DEDUCTIBLES Deductibles apply per OCCURRENCE*. When a dollar amount is shown absent a corresponding percentage (%), then that amount shall be deducted.	a. \$ <u>10,000</u> b. \$ <u>Not Covered</u> c. \$ <u>25,000</u> d. \$ <u>25,000</u> e. \$ <u>25,000</u> f. \$ <u>Not Covered</u> g. \$ <u>Not Covered</u>	Physical Damage, Except Damage to Existing Structure WATER DAMAGE* 0 % EARTHQUAKE* 0 % FLOOD* 0 % NAMED STORM* HOT TESTING*

CERTIFICATE NUMBER: CRT 9172108 - 00

HOT TESTING TERMS

(If an X is entered in the coverage block on page one the following must be provided)

HOT TESTING PERIOD: N/A Days

DELAY IN COMPLETION COVERAGE

(Coverage for Delay in Completion shall only apply under this Certificate when this section is completed in its entirety)

NAMED INSURED & BUSINESS ADDRESS N/A

PERIOD OF INDEMNITY*	<u>Not Covered</u>	Calendar Days	ANTICIPATED DATE OF COMPLETION*	<u>Not Covered</u>
DEDUCTIBLE PERIOD*:	<u>Not Covered</u>	Days, unless otherwise shown below:		
	<u>Not Covered</u>	Days - As respects Soft Costs / Additional Expense		
	<u>Not Covered</u>	Days - As respects peril(s) of	<u>Not Covered</u>	

AGGREGATE LIMIT OF LIABILITY

Subject to the individual Aggregate Sub-limits shown below, the maximum Limit of Liability for which the Company shall be liable in the aggregate under this Coverage shall not exceed: \$ Not Covered

CERTIFICATE AGGREGATE SUB-LIMITS OF LIABILITY	a. \$	<u>Not Covered</u>	Loss Of Gross Earnings
	b. \$	<u>Not Covered</u>	Loss Of Rental Income
	c. \$	<u>Not Covered</u>	Additional Interest / Financing Expense
	d. \$	<u>Not Covered</u>	Soft Costs / Additional Expense

When a Certificate Aggregate Sub-limit is entered for Soft Costs / Additional Expense above, coverage shall be further limited to the individual Certificate Aggregate Sub-limits entered below.

(1) Legal / Accounting Fees	\$	<u>Not Covered</u>	(6) Advertising Expense	\$	<u>Not Covered</u>
(2) Design Professionals Fees	\$	<u>Not Covered</u>	(7) Commission Expense	\$	<u>Not Covered</u>
(3) Realty Taxes / Ground Rents	\$	<u>Not Covered</u>		\$	
(4) Insurance Premiums	\$	<u>Not Covered</u>		\$	
(5) Project Administration Expense	\$	<u>Not Covered</u>		\$	

OTHER COVERAGE TERMS / CONDITIONS

(Identify other terms and conditions below that apply to this Certificate)

This was already charged and collected on the reporter program.

Countersigned at: _____

Dated: _____ By: _____ Title: _____



ZURICH

THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.

DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT

SCHEDULE*

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:

Included

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

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the insurer retention. The insurer retention equals 20% of the insurer's prior calendar year direct earned premium associated with lines of insurance subject to TRIA. TRIA is scheduled to expire on December 31, 2014.

C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a Program Year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

D. Availability

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

E. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.



ZURICH

Zurich Master Builders Risk Policy Declarations

Read the entire Policy carefully to determine rights, duties and what is and is not covered.

Various words and phrases appear in capitalized bold face type followed by an asterisk (*) have special meaning found in Section IV - Definitions and Examples of the Zurich Master Builders Risk Policy.

1. **POLICY NUMBER** **MBR 9805359 - 00**
2. **INSURING COMPANY** **Zurich American Insurance Company**
Hereinafter referred to as the "Company."
3. **A. NAMED INSURED(S) AND MAILING ADDRESS**

Monterey Mechanical Company
8275 San St
Oakland, CA 94621

Monterey Mechanical Company and all affiliated and subsidiary companies owned or controlled by the Named Insured as now exist or may hereafter be constituted or acquired. In respect to Joint Ventures, the Named Insured's percentage interest is included. If the Named Insured is responsible for such insurance as provided herein, and to the extent the full contract value is declared, then this policy will include the interests of Joint Venture partners for their respective percentage share(s).

The first Named Insured shown above shall be deemed the sole and irrevocable agent of each and every Insured hereunder for the purpose of giving and receiving notices to/from the Company, giving instruction to or agreeing with the Company as respects Policy alteration, for making or receiving payments of premium or adjustments to premium and as respects the payment for claims.

B. ADDITIONAL NAMED INSURED(S)

All owners, all contractors and subcontractors of every tier, and tenants at the project location, except as named in A. above, as required by any contract, subcontract or oral agreement for the **INSURED PROJECT***, and then only as their respective interests may appear are recognized as Additional Named Insureds hereunder. As respects architects, engineers, manufacturers and suppliers, their interest is limited to their site activities only.

Additional Named Insureds as provided above, may be shown on any Project Certificate issued to this Master Policy or ACORD Certificates of Insurance (or equivalent) issued by **Arthur J. Gallagher & Co. Insurance Broker of California, Inc.**, copies of which will be forwarded, if requested, to the Company.

4. MASTER POLICY TERM

The terms provided by this Master Policy shall be effective on **October 31, 2011** and shall continue in effect until **October 31, 2013**, both at **12:01 A.M.** standard time at the address of the Named Insured, but only as respects those **INSURED PROJECTS*** beginning on or after the effective date and prior to the expiration date and which have been declared to the Company, except as otherwise amended by endorsement to this policy.

5. INSURED'S TERRITORY OF OPERATION

Northern California

6. **PROJECT COVERAGE ATTACHMENT**

A. Projects located within the Insured's Territory of Operation having an estimated project term less than or equal to **forty-two (42)** months and an estimated Total Project Limit of Liability less than or equal to this Master Policy's Limits of Liability as stated above shall have coverage attach as follows:

(1) Projects Greater Than **\$10,000,000** Estimated Total Project Limit of Liability (hereafter referred to as **PROJECT CERTIFICATES**)

Projects Certificates (specimen attached) will be issued for those Projects Greater than **\$10,000,000** Estimated Total Limit of Liability or those less than **\$10,000,000** requiring an Extension of Coverage only available on Project Certificates (Delay in Completion, etc.)

Such projects are automatically held covered for a Limit of Liability not exceeding **\$30,000,000** and a period not exceeding **thirty (30)** days. Coverage beyond this initial period and Limit of Liability shall be extended only upon the Named Insured's declaration to the Company of any individual project, the issuance of a Project Certificate to this Master Policy and the Named Insured's payment of premium due thereon from the beginning of the project.

(2) Projects Less Than Or Equal To **\$10,000,000** Estimated Total Limit of Liability Projects are automatically held covered for an initial Limit of Liability of **\$10,000,000** or for an amount equal to the estimated **TOTAL PROJECT VALUE***, whichever is less, for a period not exceeding **ninety (90)** days. Coverage beyond this initial period and Limit of Liability shall be extended only upon the Named Insured's declaration to the Company on required **MONTHLY** reports to this Master policy of any individual project and the Named Insured's payment of premium due thereon from the beginning of the project.

B. Projects having an estimated project term greater than **forty-two (42)** months or an estimated **Total Project Limit of Liability** greater than this Master Policy's Limits of Liability or which are located outside of the Insured's Territory of Operation will be submitted to the Company by the Named Insured for acceptance and agreement of rates, deductibles, limits, terms and conditions prior to attachment of coverage hereunder.

7. **WHEN COVERAGE BEGINS AND ENDS**

When the automatic coverage afforded under Paragraph 6 above ceases, coverage under this Master Policy will apply only to projects as follows:

A. **PROJECT CERTIFICATES**

Coverage for each **INSURED PROJECT*** shall begin on the effective date specified in individual Project Certificates and continue in effect until the earlier of:

- (1) The final acceptance by the owner;
- (2) The expiry of the interest of the Named Insured shown on the Project Certificate;
- (3) Coverage is cancelled; or
- (4) The expiration date for individual projects stated on the individual Project Certificates;

unless otherwise amended by endorsement.

B. **QUARTERLY REPORTS**

Coverage for each **INSURED PROJECT*** shall begin on the effective date specified in the quarterly report and continue in effect until the earlier of:

- (1) The final acceptance by the owner;
- (2) The expiry of the first Named Insured's interest;
- (3) Coverage is cancelled; or
- (4) The expiration date for individual projects stated on the quarterly report;

unless otherwise amended by endorsement.

8. EXTENSION OF TERM OF INSURANCE

A. MASTER POLICY

This Master Policy shall not be extended but may be renewed at the Named Insured's request and upon the Company's acceptance subject to rates, deductibles, limits, terms and conditions to be agreed upon. Such renewal shall only apply to those projects beginning on or after the expiration date of this Master Policy. Any **INSURED PROJECT*** in force prior to the renewal of the Master Policy shall be held covered at the rates, deductibles, limits, terms and conditions of the Master Policy within which the **INSURED PROJECT*** began.

B. PROJECT CERTIFICATES

With prior notification and agreement by the Company, the term of any Project Certificate may be extended for up to three (3) months, at pro rata additional premium based on the rates stated in the Project Certificate, except for:

- (1) Projects located in areas subject to **HIGH HAZARD PERILS***; or
- (2) The extension of any **TESTING PERIOD***.

Any extension beyond this three (3) month period as well as any extension of those projects subject to **HIGH HAZARD PERILS***, or any extension of a **TESTING PERIOD*** shown in individual Project Certificates is subject to payment of additional premiums at rates, deductibles, limits, terms and conditions to be developed by the Company at the time of the Company's agreement to such additional extensions.

C. PROJECTS ON QUARTERLY REPORTS

Subject to the terms of Paragraph 8.B. above, for the purpose of **INSURED PROJECTS*** covered under quarterly reports, coverage is provided for an additional period not longer than three (3) months beyond the estimated completion date stated in the quarterly report unless otherwise amended by the Company.

9. LIMIT OF LIABILITY

This Company shall be liable for the estimated **TOTAL PROJECT VALUE*** of each individual **INSURED PROJECT*** plus the value of Delay in Completion, if applicable, in any one **OCCURRENCE*** but not exceeding the Limit of Liability and subject to the Sublimits and Annual Aggregate Limits of Liability, all as stated below, unless otherwise specifically amended on individual Project Certificates to this Master Policy.

A. Limits of Liability

- (1) \$ 30,000,000 in any one **OCCURRENCE*** for any project except;
- (2) \$ 10,000,000 in any one **OCCURRENCE*** for any project which includes joisted masonry structures;
- (3) \$ 7,500,000 in any one **OCCURRENCE*** for any project which includes frame structures

B. Sublimits of Liability

The Company shall not be liable for more than the following Sublimit(s) of Liability in any one OCCURRENCE*, except as respects Delay in Completion coverage, which shall apply in the aggregate for the INSURED PROJECT*. In no event shall these Sublimits of Liability increase the Limit of Liability or Annual Aggregate Limits of Liability.

Extensions of Coverage

- (1) \$ 1,000,000 Physical Damage Coverage to Covered Property in Transit - any one conveyance;
- (2) \$ 1,000,000 Physical Damage Coverage to Covered Property in Temporary Offsite Locations - any one location;
- (3) \$ 1,500 Maximum any one item - Trees, Plants, and Shrubs;
- (4) \$ 250,000 Architects and Engineers Fees;
- (5) \$ 250,000 Or 25% of the amount of insured physical loss or damage to Covered Property whichever is less, for Expediting Expense and Extra Expense, combined;
- (6) \$ 100,000 Physical Damage Coverage to plans, blueprints, drawings, renderings, specifications or other contract documents and models;
- (7) \$ 75,000 Fire Department Service Charges;
- (8) \$ 75,000 Fire Protective Equipment Refills;
- (9) \$ 1,000,000 Or 25% of the amount of insured physical loss of or damage to Covered Property whichever is less - Debris Removal Coverage;
- (10) \$ 500,000 Emergency Property Protection Expense - during the Certificate Term, any one INSURED PROJECT*;
- (11) \$ 25,000 Claims Preparation Costs
- (12) \$ 1,000,000 Ordinance or Law / Demolition & Increased Cost of Construction (Does not apply to Existing Structures, if coverage for such is provided)

Certificate Coverage Options

- (1) Refer to Company HOT TESTING (Applicable to Industrial Risks / Co-Generation / Power Plants)
- (2) As Declared Subject to a maximum of 30% of the amount of the TOTAL PROJECT VALUE* - Delay In Completion
- (3) 1,000,000 Damage To Existing Property (Limited) - Included in Standard Coverage; Rates for Higher Limits are shown in the Schedule of Rates & Deductibles - Subject to a maximum of \$5,000,000
- (4) As Declared Contractor's Wrap Around Coverage
- (5) As Declared Deductible Buyback Coverage
- (6) Refer to Company Damage to Existing Property (All Risk) - See Endorsement

Any project that requires a sublimit greater than the maximums shown in Coverage Options (2) and (3) above shall be submitted to the Company for acceptance and rate and deductible determination prior to attachment of coverage hereunder.

C. ANNUAL AGGREGATE LIMITS OF LIABILITY

The maximum amount the Company will pay for loss or damage in any one OCCURRENCE* and/or in the aggregate annually for loss or damage from all OCCURRENCES* for any one INSURED PROJECT*, is the lesser of the following:

- (1) The estimated TOTAL PROJECT VALUE* of the INSURED PROJECT* plus the value of Delay in Completion, if applicable; or
- (2) The Annual Aggregate Limit shown below for the specific ZONE or LEVEL based on the address of the INSURED PROJECT*;

unless otherwise specifically amended on an individual Project Certificate to this Master Policy.

Refer to Catastrophe Zones (ZBR 301-CAT) for zone and level identifications.

EARTHQUAKE*

- (1) \$ 15,000,000 Within the entire state of California;
- (2) \$ 15,000,000 Within all other **EARTHQUAKE ZONE 1**;
- (3) \$ 15,000,000 Within **EARTHQUAKE ZONE 2**;
- (4) \$ 30,000,000 Within **EARTHQUAKE ZONE 3** and **ZONE 4**;
- (5) Refer to Company US Territories & Possessions, and the Commonwealth of Puerto Rico.

FLOOD*

- (1) \$ 10,000,000 Within any **FLOOD LEVEL 1*** prone areas;
- (2) \$ 10,000,000 Within any **FLOOD LEVEL 2*** prone areas;
- (3) \$ 30,000,000 Within any **FLOOD LEVEL 3*** prone areas;
- (4) Refer to Company US Territories & Possessions, and the Commonwealth of Puerto Rico.

NAMED STORM*

- (1) \$ Refer Within the entire state of Florida and within **WIND ZONE 1*** designated areas;
- (2) \$ Refer Within **WIND ZONE 2*** designated areas, other than Florida;
- (3) \$ 30,000,000 Within **WIND ZONE 3** and **ZONE 4**;
- (4) Refer to Company US Territories & Possessions, and the Commonwealth of Puerto Rico.

WATER DAMAGE*

- (1) \$ 30,000,000 **WATER DAMAGE***

D. LIMITS MARGIN CLAUSE

The Limit of Liability scheduled in each Project Certificate or Quarterly Report is considered a provisional limit. Should any increase or decrease in the estimated **TOTAL PROJECT VALUE*** occur for any of the scheduled projects, the corresponding Limit of Liability will automatically increase or decrease to reflect such change concurrently, not to exceed the Limits of Liability and the Annual Aggregate Limits of Liability shown in the above clauses. However, this clause does not apply to any Extensions of Coverage or to Delay In Completion Coverage.

10. DEPOSIT / MINIMUM PREMIUM

A. PROJECT CERTIFICATES

The premiums stated on Project Certificates are deposit premiums and shall be developed based on the **RATING CONDITIONS** described in the Master Policy for the estimated term reported to the Company by the Named Insured as stated in the Reporting Provisions by applying the applicable rates stated in the **SCHEDULE OF RATES & DEDUCTIBLES**. A minimum and earned premium of **\$1,500** shall apply for each Project Certificate issued to this Master Policy. All deposit premiums shall be due and payable to the Company within **thirty (30)** days from the Project Certificate effective date.

B. QUARTERLY REPORTS

A **\$0** minimum and earned deposit premium will apply on attachment of the program and shall be applied against premium due for the first reporting cycle. All premiums shall be developed based on the estimated **TOTAL PROJECT VALUE*** and estimated term reported to the Company as required under the Reporting Provisions shown below by applying the applicable rates stated in the **SCHEDULE OF RATES & DEDUCTIBLES** attached to this Policy. A minimum and earned premium of **\$200** shall apply for each project reported. All premiums will be due and payable within 30 days following the reporting dates stated in below.

11. REPORTING PROVISIONS

A. PROJECT CERTIFICATES

At Project Startup

Within 30 days of project startup the Named Insured shall report to the Company the estimated **TOTAL PROJECT VALUE*** to be insured plus the Delay in Completion Limit, if applicable. Such report shall include the physical location (street address, city, state and zip code), job number, project description, type construction, the project start and estimated completion dates and the names and addresses for all parties to be included as Named Insured, Additional Named Insured(s), Loss Payee(s) or Mortgagee(s).

At Project Completion

The Named Insured shall report to the Company the completion date and final **TOTAL PROJECT VALUE***.

B. QUARTERLY REPORTS

Within 30 days after each quarter within the Master Policy period and renewals thereof, the Named Insured shall report to the Company the estimated **TOTAL PROJECT VALUE** to be insured for each **INSURED PROJECT*** begun during the previous quarterly period. Such report shall include project name, physical location (street address, city, state and zip code), job number, project description, type construction, the project start and estimated completion dates, and the names and addresses for all parties to be included as Named Insured, Additional Named Insured(s), Loss Payee(s) or Mortgagee(s).

12. PREMIUM ADJUSTMENT

A. PROJECT CERTIFICATES

The final earned premium for each Project Certificate shall be computed by applying the rate(s) used for the purpose of computing the deposit premium to the actual term of coverage provided and the final **TOTAL PROJECT VALUE*** declared in accordance with Paragraph 11.A. above. If the premium so calculated shall differ from the deposit premium, such difference shall be due and payable to the Insured or the Company, as the case may be, subject to any minimum premium that may apply.

B. QUARTERLY REPORTS

There shall be no adjustment of premium for these projects.

13. LOSS PAYEE(S) AND MORTGAGE HOLDER(S)

Loss, if any, shall be adjusted with and made payable to the first Named Insured and designated Loss Payees and/or Mortgage Holders, as shown on any Project Certificate issued to this Master Policy, or as per order of the first Named Insured. Receipt of payment by the first Named Insured shall constitute a release in full of all liability under this Policy with respect to such loss.

If not scheduled on a Project Certificate, Loss Payees and Mortgage Holders, all as their respective interest may appear, may be as shown on ACORD Certificates of Insurance (or its equivalent) issued by **Arthur J. Gallagher & Co. Insurance Broker of California, Inc.** copies of which, upon request of the Company, will be forwarded and kept on file.

END OF DECLARATIONS

FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors
Contractor Information <i>(Please print clearly.)</i>	
Name of contractor: Monterey Mechanical Co	
<i>Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.</i>	
(1) Richard Hamilton, Milton Burlison, James Troup, Paul Moreira, Patsy Fitzpatrick (2) Milton C. Burlison (CEO), Paul Moreira (CFO) (3) Richard Hamilton (49%) (4) n/a (5) n/a	
Contractor address: 8275 San Leandro Street, Oakland, CA 94621	
Date that contract was approved: <i>(By the SF Board of Supervisors)</i>	Amount of contracts: \$ 1,332,427.33
Describe the nature of the contract that was approved: Emergency Repairs to Existing Digester #2 at Southeast Plant	
Comments:	

This contract was approved by (check applicable):

the City elective officer(s) identified on this form

a board on which the City elective officer(s) serves: San Francisco Board of Supervisors
Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

Filer Information <i>(Please print clearly.)</i>	
Name of filer: Angela Calvillo, Clerk of the Board	Contact telephone number: (415) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: Board.of.Supervisors@sfgov.org

Signature of City Elective Officer (if submitted by City elective officer)

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed

**FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL**
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

Contractor Information <i>(Please print clearly.)</i>	
Name of contractor: Monterey Mechanical Co	
Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.	
(1) Richard Hamilton, Milton Burleson, James Troup, Paul Moreira, Patsy Fitzpatrick (2) Milton C. Burleson (CEO), Paul Moreira (CFO) (3) Richard Hamilton (49%) (4) n/a (5) n/a	
Contractor address: 8275 San Leandro Street, Oakland, CA 94621	
Date that contract was approved: <i>(By the SF Board of Supervisors)</i>	Amount of contracts: \$ 9,000,000.00
Describe the nature of the contract that was approved: Emergency Repairs to Existing Digesters and Cake Bins at Southeast Plant.	
Comments:	

This contract was approved by (check applicable):

the City elective officer(s) identified on this form

a board on which the City elective officer(s) serves: San Francisco Board of Supervisors
Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

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Signature of City Elective Officer (if submitted by City elective officer)

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed