

AGREEMENT BIBLIOGRAPHY

Agreement With:	Truesdail Laboratories, Inc.
Agreement Type:	To provide water chemical analysis of water samples for the City of Garden Grove
Date Approved:	05 25 2017
Start Date:	05 25 2017
End Date:	05 24 2022
Contract Amount:	\$250,000
Comments	File No. 55 Public Works
Insurance Expiration:	09 01 2017
Date Archived:	ARCHIVED 06/12/2017



**CITY OF GARDEN GROVE
OFFICE OF THE CITY CLERK**

*Safeguard all official records of the City.
Conduct municipal elections and oversee legislative administration.
Provide reliable, accurate, and timely information to the
City Council, staff, and the general public.*

Steven R. Jones
Mayor

Phat Bui
Mayor Pro Tem - District 4

Kris Beard
Council Member - District 1

John R. O'Neill
Council Member - District 2

Thu-Ha Nguyen
Council Member - District 3

Stephanie Klopfenstein
Council Member - District 5

Kim Bernice Nguyen
Council Member - District 6

May 30, 2017

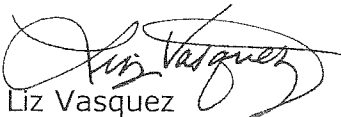
Truesdail Laboratories, Inc.
3337 Michelson Drive, Suite CN750
Irvine, CA 92612

Attn: Anthony J. Fontana, Chief Science Officer

Enclosed is a copy of the Agreement by and between the City of Garden Grove and Truesdail Laboratories, Inc., to furnish all labor, materials, and equipment to provide water chemical analysis of water samples for the City of Garden Grove.

Sincerely,

Teresa Pomeroy, CMC
City Clerk

By: 
Liz Vasquez
Deputy City Clerk

Enclosure

c: Finance Department
Finance Department/Purchasing
Public Works

PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT is made and entered into, to be effective the 25 day of May, 2017, by and between the CITY OF GARDEN GROVE, a municipal corporation, hereinafter referred to as "City," and Truesdail Laboratories, Inc., a California corporation, hereinafter referred to as "Laboratory." City and Laboratory are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, City has determined that there is a need for a contractor to furnish all labor, materials and equipment to provide water chemical analysis of water samples for the City of Garden Grove.

WHEREAS, City desires to retain a Laboratory to provide such services; and

WHEREAS, Laboratory is qualified by virtue of experience, training, education, and expertise to perform the professional services required by this Agreement and has agreed to provide such services.

NOW, THEREFORE, in consideration of the promises and mutual benefits which will result to the Parties in carrying out the terms of this Agreement, it is mutually agreed as follows:

AGREEMENT

I. SCOPE OF WORK

City agrees to retain Laboratory, and Laboratory agrees to perform the services set forth in the Scope of Services described as Attachment A - Scope of Services, attached hereto and by reference made a part of this Agreement (hereinafter the "Services"). Laboratory agrees that its provision of Services under this Agreement shall be within accepted standards within the profession, and its specialized services shall be in accordance with customary and usual practices in Laboratory's profession. By executing this Agreement, Laboratory warrants that it has carefully considered how the work should be performed and fully understands the difficulties and restrictions attending performance of the work under this Agreement.

II. TERM

This Agreement shall be effective as of the date first set forth above. This Agreement shall commence upon the effective date of this Agreement, and shall remain and continue in effect unless otherwise terminated prior to this date pursuant to the provisions of this Agreement.

III. FEES

A. Accounting Records

Laboratory shall keep complete, accurate, and detailed accounts of all costs and expenditures pertaining in any way to this Agreement. Upon request of City, Laboratory shall provide City with all records pertaining to this Agreement.

B. Total Payment

The Parties agree that Laboratory shall bill for the Services provided by Laboratory to City on a per sample basis and in accordance with scope of services and the charges and Proposal Pricing attached as Attachment B, except as otherwise set forth herein, provided compensation under this Agreement shall not exceed \$50,000.00 per year and not to exceed \$250,000.00 over the five-year contract period.

C. Monthly Payment

1. City agrees to pay Laboratory monthly, in accordance with the payment rates and terms and the Proposal Pricing as set forth in Attachment B and attached hereto based upon actual time spent providing the services outlined in this Agreement. Laboratory shall submit to City monthly statements requesting payment. Such requests shall be based upon the number of samples and values of the Services performed by Laboratory under this Agreement and shall be prepared by Laboratory and accompanied by such reporting data including a detailed breakdown of all costs incurred during the period covered by the statement, as may be required by City. Invoices shall be submitted on or before the second week of each month, for Services provided the prior month. City shall use reasonable efforts to make payment to Laboratory within thirty (30) days after the date of the invoice or as soon thereafter as reasonably practicable. If City determines that the approved written Scope of Work under this Agreement or any specified task hereunder is incomplete, the City Manager, or his or her designee, shall notify Laboratory and may withhold the payment amount for the unfinished work accordingly.

2. Laboratory shall not be compensated for any services rendered in connection with its performance of this Agreement, which are in addition to those set forth herein, unless such additional services are authorized in advance in writing by the City Manager or his or her designee.

3. Laboratory shall not be compensated for any services rendered in the event that a sample is broken, lost or rendered unusable due to violation(s) of applicable EPA methods including time sensitive testing after custody has been relinquished by City.

IV. TERMINATION

City may terminate this Agreement for its convenience at any time, with or without cause, in whole or in part, upon giving Laboratory thirty (30) days written notice. Upon said notice, City shall pay Laboratory its allowable costs incurred to date of termination and those allowable costs determined by City to be reasonably necessary to effect such termination. Upon receipt of said notice, Laboratory shall immediately cease all work under the Agreement, unless the notice provides otherwise. If City terminates a portion of this Agreement, such termination shall not make void or invalidate the remainder of this Agreement. Thereafter, Laboratory shall have no further claims against City under this Agreement. Upon termination of the Agreement pursuant to this Section, Laboratory will submit an invoice to City pursuant to Section 3. Laboratory may terminate this Agreement, with or without cause, upon thirty (30) days written notice to City.

V. DEFAULT OF LABORATORY

A. Laboratory's failure to comply with the provisions of this Agreement shall constitute a default. In the event Laboratory is in default, except as provided for in Section XXI, City shall have no obligation or duty to continue compensating Laboratory for any work performed after the date of default and can terminate the Agreement immediately upon written notice to Laboratory.

B. If the City Manager, or his/her designee, determines that Laboratory is in default in the performance of any of the terms or conditions of this Agreement, it shall notify Laboratory in writing of such default. Laboratory shall have ten (10) days to cure the default by rendering a satisfactory performance. In the event Laboratory fails to cure its default within such period of time, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice of any remedy to which City may be entitled at law, in equity or under this Agreement. Laboratory shall be liable for any and all reasonable costs incurred by City as a result of such default including, but not limited to, re-procurement costs of the same or similar services defaulted by Laboratory under this Agreement.

VI. LEGAL RELATIONSHIP BETWEEN THE PARTIES

A. The legal relationship between the Parties hereto is that of an independent contractor, and nothing herein shall be deemed to make Laboratory a City employee. During the performance of this Agreement, Laboratory and its officers, employees, and agents shall act in an independent capacity and shall not

act as City officers, employees, or agents. The personnel performing the Services under this Agreement on behalf of Laboratory shall at all times be under Laboratory's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Laboratory or any of its officers, employees, or agents, except as set forth in this Agreement. Laboratory, its officers, employees, or agents shall not maintain an office or any other type of fixed business location at City's offices

B. Laboratory shall not incur or have the power to incur any debt obligation, or liability against City, or bind City in any manner.

C. No City benefits shall be available to Laboratory, its officers, employees, or agents in connection with any performance under this Agreement. Except for fees paid to Laboratory as provided for in this Agreement, City shall not pay salaries, wages, or other compensation to Laboratory for performance of Services under this Agreement. City shall not be liable for compensation or indemnification to Laboratory, its officers, employees, or agents for injury or sickness arising out of performing Services hereunder. If for any reason, any court or governmental agency determines that City has financial obligations, other than pursuant to Section III herein, of any nature related to salary, taxes, or benefits of Laboratory's officers, employees, servants, representatives, subcontractors, or agents, Laboratory shall indemnify City for all such financial obligations.

VII. MODIFICATIONS AND AMENDMENTS TO AGREEMENT

No modification or amendment of this Agreement or any of the provisions hereof shall be effective for any purpose unless set forth in writing signed by duly authorized representatives of both Parties.

VIII. ASSIGNMENTS AND SUBCONTRACTING

The experience, knowledge, capability, and reputation of Laboratory, its principals and employees were a substantial inducement for City to enter into this Agreement. Laboratory may not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, voluntarily or by operation of law, without the prior written approval of City. Laboratory shall not contract with any other person or entity to perform the Services required without written approval of City. If Laboratory is permitted to subcontract any part of this Agreement by City, Laboratory shall be responsible to City for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationships between any subcontractor and City. All persons engaged in the work will be considered employees of Laboratory. City will deal directly with and will make all payments to Laboratory as provided for in Section III.

IX. SUCCESSORS IN INTEREST

This Agreement shall be binding upon and inure to the benefit of the Parties' successors and assignees.

X. THIRD PARTY BENEFICIARY

Except as may be specifically provided for herein, nothing contained in this Agreement is intended to confer, nor shall this Agreement be construed as conferring, any rights, including, without limitation, any rights as third-party beneficiary or otherwise, upon any entity or person not a party hereto.

XI. INSURANCE

A. COMMENCEMENT OF WORK. Contractor shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the City. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the City of any material change, cancellation, or termination at least thirty (30) days in advance and a waiver of subrogation **for each policy** against the City, its officers, officials, agents, employees, and volunteers.

B. WORKERS COMPENSATION INSURANCE. For the duration of this Agreement, Contractor and all subcontractors shall maintain Workers Compensation Insurance in the amount and type required by law, if applicable. The insurer shall waive its rights of subrogation against the City, its officers, officials, agents, employees, and volunteers.

C. INSURANCE AMOUNTS. Contractor shall maintain the following insurance for the duration of this Agreement.

D. COMMENCEMENT OF WORK. CONTRACTOR shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance.

E. WORKERS COMPENSATION INSURANCE. During the duration of this Agreement, CONTRACTOR and all subcontractors shall maintain Workers Compensation Insurance in the amount and type required by law, if applicable.

F. INSURANCE AMOUNTS. CONTRACTOR shall maintain the following insurance for the duration of this Agreement:

- (a) Commercial general liability in an amount of \$1,000,000.00 per occurrence (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be

acceptable to CITY and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

- (b) Automobile liability in an amount of \$1,000,000.00 combined single limit **(claims made and modified occurrence policies are not acceptable)**; Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY.
- (c) Professional liability in an amount not less than \$1,000,000. Insurance companies must be admitted and licensed In California and have a Best's Guide Rating of A-, Class VII or better, as approved by the City. If the policy is written on a "claims made" basis, the policy shall be continued in full force and effect at all times during the term of the agreement, and for a period of three (3) years from the date of the completion of services provided. In the event of termination, cancellation, or material change in the policy, professional/consultant shall obtain continuing insurance coverage for the prior acts or omissions of professional/consultant during the course of performing services under the term of the agreement. The coverage shall be evidenced either by a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the present or new carrier.

An **On-Going and Completed Operations Additional Insured Endorsement** for the policy under section F (a) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section F (b) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for automobiles, owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

For any claims related to this Agreement, CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, agents, and volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.

If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.

XII. INDEMNITY

To the fullest extent permitted by law, Laboratory shall indemnify, defend (at Laboratory's sole cost and expense), protect and hold harmless the City of Garden Grove and its councilmembers, officers, officials, employees, agents, and volunteers, (individually "Indemnified Party"; collectively "Indemnified Parties") against any and all liability, claims, judgments, costs, and demands (collectively, "Claims"), including Claims arising from injuries or death of persons (Laboratory's employees included) and damage to property, which Claims arise out of, pertain to, or are related to the negligence, recklessness or willful misconduct of Laboratory, its agents, employees, or subcontractors, or arise from Laboratory's negligent, reckless or willful performance of or failure to perform any term, provision, covenant or condition of this Agreement ("Indemnified Claims"), but Laboratory's liability for Indemnified Claims shall be reduced to the extent such Claims arise from the negligence, recklessness or willful misconduct of the City of Garden Grove and its councilmembers, officers, directors, officials, employees, or agents.

Laboratory shall reimburse the Indemnified Parties for any reasonable expenditures, including reasonable attorneys' fees, expert fees, litigation costs and expenses that each Indemnified Party may incur by reason of Indemnified Claims. Upon request by an Indemnified Party, Laboratory will defend with legal counsel reasonably acceptable to the Indemnified Party all Claims against the Indemnified Party that may arise out of, pertain to, or relate to Indemnified Claims, whether or not Laboratory is named as a party to the Claim proceeding. The determination whether a Claim may "arise out of, pertain to, or relate to" Indemnified Claims shall be based on the allegations made in the Claim and the facts known or subsequently discovered by the parties. In the event a final judgment, arbitration award, order, settlement, or other final resolution expressly determines that Claims did not arise out of, pertain to, nor relate to the negligence, recklessness or willful misconduct of Laboratory to any extent, then City will reimburse Laboratory for the reasonable costs of defending the Indemnified Parties against such Claims, except City shall not reimburse Laboratory for attorneys' fees, expert fees, litigation costs and expenses as were incurred defending Laboratory or any parties other than Indemnified Parties against such Claims.

Laboratory's liability for indemnification hereunder is in addition to any liability Laboratory may have to City for a breach by Laboratory of any of the provisions of this Agreement. Under no circumstances shall the insurance requirements and limits set forth in this Agreement be construed to limit

Laboratory's indemnification obligation or other liability hereunder. The terms of this Agreement are contractual and the result of negotiation between the parties hereto. Accordingly, any rule of construction of contracts (including, without limitation, California Civil Code Section 1654) that ambiguities are to be construed against the drafting party, shall not be employed in the interpretation of this Agreement.

XIII. COMPLIANCE WITH LAW

A. Laboratory certifies by the execution of this Agreement the following: that it pays employees not less than the minimum wage as defined by law and that it does not discriminate in its employment with regard to race, color, religion, sex, age, marital status, ancestry, or national origin; that Laboratory is in compliance with all federal and state laws, local directives, and executive orders regarding non-discrimination in employment; and that Laboratory agrees to demonstrate positively and aggressively the principle of equal opportunity in employment.

B. Laboratory shall keep itself informed of State and Federal laws and regulations, which in any manner affect those employed by it or in any way affect the performance of its Services pursuant to this Agreement. Laboratory shall at all times observe and comply with all such laws and regulations. The City of Garden Grove and its councilmembers, officers, employees, and agents shall not be liable at law or in equity for Laboratory's failure to comply with such laws and regulations.

XIV. LICENSES AND QUALIFICATIONS

Laboratory represents and warrants to City that it has obtained all licenses, permits, qualifications, and approvals of whatever nature that is legally required to practice its profession. Laboratory represents and warrants to City that Laboratory shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval, which is legally required for Laboratory to perform Services under this Agreement.

XV. CONFIDENTIALITY AND OWNERSHIP OF DOCUMENTS

A. All information gained by Laboratory in the performance of this Agreement shall be considered confidential and shall not be released by Laboratory without City's prior written authorization. Laboratory, its officers, employees, agents or subcontractors shall not without written authorization from the City Manager or unless requested by City's Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the Services performed under this Agreement or relating to any project within City. Response to a subpoena or court order shall not be considered "voluntary" for the purposes of this Section, provided Laboratory gives City proper notice of such subpoena or court order. Laboratory shall properly notify City of any summons, complaints, subpoenas, notice of deposition,

request for documents, interrogatories, requests for admissions or other discovery requests received by Laboratory, its officers, employees, agents or subcontractors, related to Services performed pursuant to this Agreement. City retains the right, but has no obligation, to represent Laboratory and/or be present at any deposition, hearing, or similar proceeding, the cost of which shall be borne by City. Laboratory agrees to cooperate fully with City and to provide City with an opportunity to review and respond to discovery requests provided by Laboratory, arising out of Services performed pursuant to this Agreement. However, City's right to review any such request or response does not imply or mean City has the right to control, direct, write or rewrite said response.

B. The documents for this project shall become the property of City upon the termination or completion of the work. Laboratory agrees to furnish to City copies of all memoranda, correspondence, computation, and study materials in its files pertaining to the work described in this Agreement, which is requested in writing by City.

XVI. INTERPRETED UNDER LAWS OF THE STATE OF CALIFORNIA

This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof. Venue for any litigation concerning this Agreement shall be in the Superior Court for the County of Orange, California.

XVII. ATTORNEY'S FEES

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees, costs, and necessary disbursements in addition to any other relief to which they may be entitled.

XVIII. WAIVER

No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought. Any waiver by the Parties of any default or breach of any covenant, condition, or term contained in this Agreement, shall not be construed to be a waiver of any subsequent or other default or breach, nor shall failure by the Parties to require exact, full, and complete compliance with any of the covenants, conditions, or terms contained in this

Agreement in any manner or preventing the Parties from enforcing the full provisions

XIX. NOTICES

All notices or other communications required or permitted hereunder shall be in writing and shall be personally delivered, sent by registered or certified mail, postage prepaid, return receipt requested, or delivered or sent by electronic transmission, and shall be deemed received upon the earlier of: (i) the date of delivery to the address of the person to receive such notice if delivered personally or by messenger or overnight courier; (ii) three (3) business days after the date of posting by the United States Post Office if by mail; or (iii) when sent if given by electronic transmission. Any notice, request, demand, direction, or other communication sent by electronic transmission must be confirmed within forty-eight (48) hours by letter mailed or delivered. Notices or other communications shall be addressed as follows:

To City: City of Garden Grove
13802 Newhope Street
Garden Grove, CA 92843
Attention: Water Quality Supervisor

To Laboratory: Truesdail Laboratories, Inc.,
3337 Michelson Drive, Suite CN750
Irvine, CA 92612
Attention: Anthony J. Fontana-Chief Science Officer

Either Party may, by written notice to the other, designate a different address, which shall be substituted for that specified above.

XX. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and supersedes all prior negotiations, arrangements, representations, and understandings, if any, made by or among the parties with respect to the subject matter hereof. No amendments or other modifications of this Agreement shall be binding unless executed in writing by both parties hereto, or their respective successors, assigns, or grantees.

XXI. FORCE MAJEURE

If either party shall be delayed or prevented from the performance of any service under this Agreement by reason of acts of God, strikes, lockouts, labor troubles, restrictive governmental laws or regulations or other cause,

without fault and beyond the reasonable control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of delay, and the period for performance of any such act shall be extended for a period equivalent to the period of such delay.

XXII. TIME IS OF THE ESSENCE

The Parties agree that time is of the essence of this Agreement with respect to the deadlines set forth herein.

XXIII. SEVERABILITY

Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be invalid under the applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of that provision, or the remaining provisions of this Agreement.

XXIV. PROHIBITED INTERESTS

Laboratory covenants that, for the term of this Agreement, no Board Member, official, officer or employee of City during his/her tenure in office/employment, or for one (1) year thereafter, shall have any interest, direct or indirect, in this Agreement or the proceeds thereof. Laboratory warrants that it has not given or paid and will not give or pay any third party money or other consideration for obtaining this Agreement.

XXV. SCOPE CHANGES

In the event of a change in the scope of the proposed project, as requested by City, the Parties hereto shall execute an addendum to this Agreement, setting forth, with particularity, all terms of the new Agreement, including but not limited to any additional Laboratory's fees.

XXVI. NON-LIABILITY OF CITY OFFICERS AND EMPLOYEES

No officer or employee of the City shall be personally liable to the Laboratory, or any successor in interest, in the event of any default or breach by the City or for any amount, which may become due to the Laboratory or its successor, or for breach of any obligation of the terms of this Agreement.

XXVII. APPROPRIATIONS

This Agreement is subject to and contingent upon funds being appropriated therefor by the Garden Grove City Council for each fiscal year covered by the term of this Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to the CITY.

XXVIII. AGREEMENT EXECUTION AUTHORIZATION

Each of the undersigned represents and warrants that he or she is duly authorized to execute and deliver this Agreement and that such execution is binding upon the entity for which he or she is executing this Agreement.

XXIX. RECITALS

The Recitals above are hereby incorporated into this section as though fully set forth herein and each party acknowledges and agrees that such Party is bound, for purposes of this Agreement, by the same.

\\ \\ \\

(Agreement Signature Block on Next Page)

IN WITNESS THEREOF, these parties have executed this Agreement on the day and year shown below.

Date: 5/25/17

"CITY"
CITY OF GARDEN GROVE

By: [Signature]
City Manager

ATTESTED:
[Signature]
City Clerk

Date: 5/25/17

"CONTRACTOR"
Truesdail Laboratories, Inc.

By: [Signature]

Name: Randy Coates

Title: COO

Date: 4/27/17

Tax ID No. 95-1308430

Contractor's License: _____

Expiration Date: _____

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY

APPROVED AS TO FORM:
[Signature]
Garden Grove City Attorney

5-2-17
Date



ATTACHMENT "A"
RFP No. S-1213
SCOPE OF SERVICES

Provide Laboratory Sample Testing and Water Chemical Analysis
for the City of Garden Grove

Introduction: The City of Garden Grove does not currently have a water quality laboratory or the necessary staffing and therefore needs to engage the services of a State/County certified laboratory to meet the various water sample analysis needs of City staff as described in this scope of services.

Description: The Water Quality Section has a State/County mandated requirement for laboratory services. Laboratories interested in working for the City should be familiar with State/County of California requirements as they apply to the City of Garden Grove Water Quality Operational Plan, and should have experience with the ever-changing legal requirements in the potable water field.

The proposal shall be signed by an individual authorized to bind the submitting laboratory and should include a statement indicating the proposal is valid for a minimum of 120 days. Full consideration will be given to each proposal received by the City in determining proposal acceptance.

Services to be provided by the Contractor:

Services to be performed by the laboratory shall consist of the following:

- Provide the water quality analysis for the various tests itemized in Attachment B-Proposal Pricing.
- Provide sufficient containers for the gathering of samples at no additional cost to the City. Sample containers are to be included with the cost of the samples.
- Provide sufficient chain of custody forms at no additional cost to the City. Chain of custody forms are to be included with the cost of the samples.
- Provide evidence of State/County of California laboratory certifications for drinking water.
- Report all lab results within time limits indicated on the chain of custody provided by the City and also within EPA requirements. Samples that are positive for total coliform shall be reported immediately to the City's Water Quality Supervisor or designated contact person.
- In the event that the laboratory should cause the need to re-sample, the cost of the analysis and the staff required to re-sample must be covered by the laboratory.

- In the event that the laboratory fails to meet a turn-around time agreed upon as indicated in the chain of custody, the cost of the analysis must be forfeited by the laboratory.
- All reports requiring State/County forms must be submitted to SWRCB in a timely manner.
- Location of the lab shall be no more than 15 miles driving distance from the Garden Grove Municipal Service Center located at 13802 Newhope Street, Garden Grove, CA, unless the lab can have a driver to pick-up weekly and monthly samples.
- After-hours availability including holidays to receive samples and report results.
- Provide clear and concise invoices with project name, number, purchase order number, date and work performed.
- Have a driver to pick-up samples on a scheduled basis.

Proposal Organization and Contents

The proposal shall be organized in a concise manner, addressing the requirements itemized in this RFP.

To be considered responsive to this request, the following information shall be included in the proposal:

- Name and location of designated manager and/or authorized representative(s) of which the manager or one of the authorized representatives shall be available anytime throughout the duration of this contract.
- Laboratory understanding of the City's needs and approach to meeting those needs in sufficient quantities.
- Listing of services offered, descriptions, methods, techniques and exceptions.
- Description of how work will be performed.
- A current fee schedule of all tests required of the City per current State/County regulations (See Proposal Pricing, Attachment B). Fee schedule shall also separately include any surcharges to be made for after-hours sample receiving and expediting any of the listed tests.
- Company ownership description, organization and staffing with resumes and relevant experience, including two recent references on similar assignments.

- Company is not allowed to subcontract any work without written authorization of the City. A statement addressing this must be made in the proposal. The City shall make the final decision as to whether or not subcontractors will be allowed.

Contractor Requirements:

- City's standard laboratory agreement, including, compliance issues, disclosure, notifications and other relevant materials are attached for your review and information.
- A minimum of three (3) references with current contact information such as company name, contact person's name, contact person's phone number and email address.
- It is mandatory for all labs to be accredited by National Environmental Accreditation Laboratory Conference (NELAC) in order to perform work for the City. Please include proof of this accreditation in your proposal.
- The desirable laboratory candidate will have technical resources, including competent-experienced personnel, in providing the below listed Scope of Services. It is anticipated that the contract will be established for a 5-year period.
- Any reimbursable or other cost shall be identified and included in the fee proposal.

Selection of the Firm:

A panel comprised of City staff will review and rate the laboratory's proposal based on the criteria on Page 6, Section 8, Evaluation of Proposals and the criteria listed below. The top rated firm as determined by the review will be selected for award. There will not be a pre-proposal meeting. Laboratory selection will be based upon the following criteria:

1. Ability of the laboratory's key personnel to perform the tasks as outlined in this Request for Proposal (RFP).
2. The specific approach to meeting the City's needs with proposed methods and techniques.
4. Qualifications, certificates and experience of the firm and the specific individuals who will perform the work.
5. Understanding of the City's needs as required by the State/County.

Services to be provided by The City:

- Processing of laboratory invoices and payment within 30 days.

PROPOSAL PRICING

RFP NO. S-1213:

**Provide Laboratory Sample Testing and Water Chemical Analysis for the
City of Garden Grove**

"ATTACHMENT B"

SCHEDULE OF REQUIRED TESTS

	Analysis	Frequency	Total	Unit Cost
1.	Collsure	Weekly	33	\$6.50
2.	Total Phosphate	Monthly	8	\$12.00
3.	MTF	Monthly	12	\$35.00
4.	Color	Monthly	33	\$3.00
5.	Odor	Monthly	33	\$3.00
6.	Turbidity	Monthly	33	\$3.00
7.	HAA5s	Quarterly	8	\$55.00
8.	TTHMs	Quarterly	8	\$30.00
9.	Iron	Monthly	1	\$10.00
10.	Manganese	Monthly	1	\$10.00
11.	Total Hardness	Monthly	1	\$10.00
12.	Soluble Sulfides	Quarterly	4	\$12.00
13.	TDS	Quarterly	4	\$12.00
14.	Nitrates	Weekly	4	\$10.00
15.	Lead	Triennially	55	\$8.00
16.	Copper	Triennially	55	\$8.00

17. If applicable, surcharges to be made for after-hours sample receiving and expediting any of the listed tests \$ 0.00 per incident. (If there is no cost, please indicate \$0.00 on this line.)

Any reimbursable or other cost shall also be identified and included in the proposal pricing. Please attach additional sheets itemizing these costs along with an explanation of how these fees are calculated if applicable.

Proposers must submit pricing for all items requested above or your proposal may be deemed as non-responsive at the discretion of the City.

The undersigned hereby certifies that this Proposal is genuine and is not sham or collusive, or made in the interest or in behalf of any person not herein named, and that the undersigned has not directly or indirectly induced or solicited any other bidder to put in a sham bid, or any other person, firm or corporation to refrain from bidding, and that the undersigned has not in any manner sought, by collusion, to secure for himself an advantage over any other bidder.

Please check your calculations before submitting your Proposal; the City of Garden Grove will not be responsible for Proposer miscalculations.

The City reserves the right to add and delete any services related to this RFP at its discretion.

BY: 
(Signature)

(714) 730-6239
(Phone Number)

Anthony J. Fontana
(Type or Print Name)

Chief Science Officer
(Title)

sbrady@truesdail.com
(Email Address)



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
5/19/2017

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 Dealey, Renton & Associates DRA License 0020739 P. O. Box 10550 Santa Ana CA 92711-0550		CONTACT NAME: Tina Norman 714-427-3485 Dir. 427-6810 office		PHONE (A/C, No, Ext): 714-427-6810	FAX (A/C, No): 714-427-6818
INSURED Truesdail Laboratories Inc. 3337 Michaelson, Suite 750 Irvine CA 92612		INSURER(S) AFFORDING COVERAGE		NAIC #	
		INSURER A : Travelers Property Casualty Co of A		Att, XV 25674	
		INSURER B : Crum & Forster Specialty Insurance		A, XII	
		INSURER C :			
		INSURER D : tnorman@dealeyrenton.com			
		INSURER E :			
		INSURER F :			

COVERAGES CERTIFICATE NUMBER: 930504576 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 INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
B	<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 type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:	Y		EPK113842	9/1/2016	9/1/2017	EACH OCCURRENCE	\$2,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$50,000
							MED EXP (Any one person)	\$5,000
							PERSONAL & ADV INJURY	\$3,000,000
							GENERAL AGGREGATE	\$3,000,000
							PRODUCTS - COMP/OP AGG	\$3,000,000
								\$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	Y		BA9119N785	9/1/2016	9/1/2017	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	UMBRELLA LIAB						EACH OCCURRENCE	\$
	EXCESS LIAB						AGGREGATE	\$
	DED							\$
	RETENTION \$							\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE	OTHER
							E.L. EACH ACCIDENT	\$
							E.L. DISEASE - EA EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$
B	Professional Liability Claims Made			EPK113842	9/1/2016	9/1/2017	Per Claim Annual Aggr.	\$2,000,000 \$3,000,000

Revised and approved as to insurance language and/or requirements.
Heidi m Jay
5-23-17
Risk Management

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

Re: All operations of the named insured - City of Garden Grove, its officers, officials, agents, employees, and volunteers are named as additional insureds as respects general and auto liability for claims arising from the operations of the named insured as required per written contract or agreement. Coverage afforded the additional insured is primary and non-contributory as respects to general liability coverage. Coverage afforded the additional insured is primary as respects to auto liability coverage. SEE CANCELLATION SECTION of Certificate for 30 Day Notice of Cancellation /10 Day for Non-Payment of Premium.

CERTIFICATE HOLDER CANCELLATION 30 Day/10 Day Notice for Non-Payment

City of Garden Grove Attn: Heidi Janz P.O. Box 3070 Garden Grove CA 92842-3070	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 <i>Heidi Janz</i>

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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 Person(s) or Organization(s):	Location And Description Of Completed Operations
Where Required by Written Contract	Where Required by Written Contract
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section III – Who Is An Insured within the Common Provisions is amended to include as an 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"

Reviewed and approved as to insurance language and/or requirements.
Heidi M. Jay
Risk Management
5-23-17



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
CONTRACTORS POLLUTION LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) or Organization(s)
Where Required By Written Contract.

SECTION III – WHO IS AN INSURED within the Common Provisions is amended to include as an additional insured the person(s) or organization(s) indicated in the Schedule shown above, but only with respect to liability caused, in whole or in part, by "your work" for that insured which is performed by you or by those acting on your behalf.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

Reviewed and approved as to insurance language and/or requirements.
Heidi M. Jay
Risk Management

5-23-17



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NON-CONTRIBUTORY ADDITIONAL INSURED WITH WAIVER OF SUBROGATION

This endorsement modifies insurance provided under the following:

- COMMERCIAL GENERAL LIABILITY COVERAGE PART
- CONTRACTORS POLLUTION LIABILITY COVERAGE PART
- ERRORS AND OMISSIONS LIABILITY COVERAGE PART
- THIRD PARTY POLLUTION LIABILITY COVERAGE PART

SCHEDULE

Name of Additional Insured Person(s) or Organization(s) Where Required by Written Contract

- A. **SECTION III – WHO IS AN INSURED** within the Common Provisions is amended to include as an additional insured the person(s) or organization(s) indicated in the Schedule shown above, but solely with respect to "claims" caused in whole or in part, by "your work" for that person or organization performed by you, or by those acting on your behalf.
- This insurance shall be primary and non-contributory, but only in the event of a named insured's sole negligence.
- B. We waive any right of recovery we may have against the person(s) or organization(s) indicated in the Schedule shown above because of payments we make for "damages" arising out of "your work" performed under a designated project or contract with that person(s) or organization(s).
- C. This Endorsement does not reinstate or increase the Limits of Insurance applicable to any "claim" to which the coverage afforded by this Endorsement applies.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

Reviewed and approved as to insurance language and/or requirements.

Nedra M. Jay
 Risk Management
 5-23-17

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO EXTENSION ENDORSEMENT

Reviewed and approved as to insurance language and/or requirements.

Heidi M. Jay
Risk Management
5-23-17

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

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

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

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

PROVISIONS

A. BROAD FORM NAMED INSURED

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

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

B. BLANKET ADDITIONAL INSURED

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

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

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

C. EMPLOYEE HIRED AUTO

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

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

COMMERCIAL AUTO

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

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

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

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

D. EMPLOYEES AS INSURED

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

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

E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

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

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

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

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

F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS

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

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

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

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

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

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

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

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

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

*

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

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

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

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

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

G. WAIVER OF DEDUCTIBLE – GLASS

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

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

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

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

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

I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT

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

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

J. PERSONAL EFFECTS

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

Personal Effects

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

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

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

No deductibles apply to this Personal Effects coverage.

K. AIRBAGS

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

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

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

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

L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS

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

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

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

M. BLANKET WAIVER OF SUBROGATION

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

5. Transfer Of Rights Of Recovery Against Others To Us

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

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

N. UNINTENTIONAL ERRORS OR OMISSIONS

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

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