

1 AGREEMENT

2 33769

3 THIS AGREEMENT is made and entered, in duplicate, as of January 26,
4 2015, for reference purposes only, pursuant to a minute order adopted by the City
5 Council of the City of Long Beach at its meeting on January 20, 2015, by and between
6 ENERGY EXPERTS INTERNATIONAL, a California corporation ("Consultant"), with a
7 place of business at 555 Twin Dolphin Drive, Suite 150, Redwood City, California 94065,
8 and the CITY OF LONG BEACH, a municipal corporation ("City").

9 WHEREAS, City requires specialized services requiring unique skills to be
10 performed in connection with services related to natural gas distribution federal regulatory
11 compliance to update U.S. Department of Transportation required manuals and plans
12 ("Project"); and

13 WHEREAS, City has selected Consultant in accordance with City's
14 administrative procedures using a Request for Proposals ("RFP"), attached hereto as
15 Exhibit "A-1", and incorporated by this reference, and City has determined that
16 Consultant and its employees are qualified, licensed, if so required, and experienced in
17 performing these specialized services; and

18 WHEREAS, City desires to have Consultant perform these specialized
19 services, and Consultant is willing and able to do so on the terms and conditions in this
20 Agreement;

21 NOW, THEREFORE, in consideration of the mutual terms, covenants, and
22 conditions in this Agreement, the parties agree as follows:

23 1. SCOPE OF WORK OR SERVICES.

24 A. Consultant shall furnish specialized services generally
25 described in the RFP and more particularly described in Exhibit "A-2", attached to
26 this Agreement and incorporated by this reference, in accordance with the
27 standards of the profession, and City shall pay for these services in the manner
28 described below, not to exceed Five Hundred Forty-Two Thousand Five Hundred

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 Twenty-Six Dollars (\$542,526), at the rates or charges shown in Exhibit "B".

2 B. City shall pay Consultant in due course of payments following
3 receipt from Consultant and approval by City of invoices showing the services or
4 task performed, the time expended (if billing is hourly), and the name of the
5 Project. Consultant shall certify on the invoices that Consultant has performed the
6 services in full conformance with this Agreement and is entitled to receive
7 payment. Each invoice shall be accompanied by a progress report indicating the
8 progress to date of services performed and covered by the invoice, including a
9 brief statement of any Project problems and potential causes of delay in
10 performance, and listing those services that are projected for performance by
11 Consultant during the next invoice cycle. Where billing is done and payment is
12 made on an hourly basis, the parties acknowledge that this arrangement is either
13 customary practice for Consultant's profession, industry or business, or is
14 necessary to satisfy audit and legal requirements which may arise due to the fact
15 that City is a municipality.

16 C. Consultant represents that Consultant has obtained all
17 necessary information on conditions and circumstances that may affect its
18 performance and has conducted site visits, if necessary.

19 D. By executing this Agreement, Consultant warrants that
20 Consultant (a) has thoroughly investigated and considered the scope of services
21 to be performed, (b) has carefully considered how the services should be
22 performed, and (c) fully understands the facilities, difficulties and restrictions
23 attending performance of the services under this Agreement. It the services
24 involve work upon any site, Consultant warrants that Consultant has or will
25 investigate the site and is or will be fully acquainted with the conditions there
26 existing, prior to commencement of services set forth in this Agreement. Should
27 Consultant discover any latent or unknown conditions that will materially affect the
28 performance of the services set forth in this Agreement, Consultant must

1 immediately inform the City of that fact and may not proceed except at
2 Consultant's risk until written instructions are received from the City.

3 E. Consultant must adopt reasonable methods during the life of
4 the Agreement to furnish continuous protection to the work, and the equipment,
5 materials, papers, documents, plans, studies and other components to prevent
6 losses or damages, and will be responsible for all damages, to persons or
7 property, until acceptance of the work by the City, except those losses or damages
8 as may be caused by the City's own negligence.

9 F. CAUTION: Consultant shall not begin work until this
10 Agreement has been signed by both parties and until Consultant's evidence of
11 insurance has been delivered to and approved by City.

12 2. TERM. The term of this Agreement shall commence at midnight on
13 February 16, 2015, and shall terminate at 11:59 p.m. on February 15, 2017, unless
14 sooner terminated as provided in this Agreement, or unless the services or the Project is
15 completed sooner. The parties have the option to extend the term for one (1) additional
16 one-year period.

17 3. COORDINATION AND ORGANIZATION.

18 A. Consultant shall coordinate its performance with City's
19 representative, if any, named in Exhibit "C", attached to this Agreement and
20 incorporated by this reference. Consultant shall advise and inform City's
21 representative of the work in progress on the Project in sufficient detail so as to
22 assist City's representative in making presentations and in holding meetings on
23 the Project. City shall furnish to Consultant information or materials, if any,
24 described in Exhibit "D", attached to this Agreement and incorporated by this
25 reference, and shall perform any other tasks described in the Exhibit.

26 B. The parties acknowledge that a substantial inducement to City
27 for entering this Agreement was and is the reputation and skill of Consultant's key
28 employees, Mark Heckman and Lana Carlson. City shall have the right to approve

1 any person proposed by Consultant to replace that key employee.

2 4. INDEPENDENT CONSULTANT. In performing its services,
3 Consultant is and shall act as an independent contractor and not an employee,
4 representative or agent of City. Consultant shall have control of Consultant's work and
5 the manner in which it is performed. Consultant shall be free to contract for similar
6 services to be performed for others during this Agreement; provided, however, that
7 Consultant acts in accordance with Section 9 and Section 11 of this Agreement.
8 Consultant acknowledges and agrees that (a) City will not withhold taxes of any kind from
9 Consultant's compensation; (b) City will not secure workers' compensation or pay
10 unemployment insurance to, for or on Consultant's behalf; and (c) City will not provide
11 and Consultant is not entitled to any of the usual and customary rights, benefits or
12 privileges of City employees. Consultant expressly warrants that neither Consultant nor
13 any of Consultant's employees or agents shall represent themselves to be employees or
14 agents of City.

15 5. INSURANCE.

16 A. As a condition precedent to the effectiveness of this
17 Agreement, Consultant shall procure and maintain, at Consultant's expense for the
18 duration of this Agreement, from insurance companies that are admitted to write
19 insurance in California and have ratings of or equivalent to A:V by A.M. Best
20 Company or from authorized non-admitted insurance companies subject to
21 Section 1763 of the California Insurance Code and that have ratings of or
22 equivalent to A:VIII by A.M. Best Company, the following insurance:

23 (a) Commercial general liability insurance (equivalent in scope to
24 ISO form CG 00 01 11 85 or CG 00 01 10 93) in an amount not less than
25 \$1,000,000 per each occurrence and \$2,000,000 general aggregate. This
26 coverage shall include but not be limited to broad form contractual liability,
27 cross liability, independent contractors liability, and products and
28 completed operations liability. City, its boards and commissions, and their

1 officials, employees and agents shall be named as additional insureds by
2 endorsement (on City's endorsement form or on an endorsement
3 equivalent in scope to ISO form CG 20 10 11 85 or CG 20 26 11 85), and
4 this insurance shall contain no special limitations on the scope of
5 protection given to City, its boards and commissions, and their officials,
6 employees and agents. This policy shall be endorsed to state that the
7 insurer waives its right of subrogation against City, its boards and
8 commissions, and their officials, employees and agents.

9 (b) Workers' Compensation insurance as required by the California
10 Labor Code and employer's liability insurance in an amount not less than
11 \$1,000,000. This policy shall be endorsed to state that the insurer waives
12 its right of subrogation against City, its boards and commissions, and their
13 officials, employees and agents.

14 (c) Professional liability or errors and omissions insurance in an
15 amount not less than \$1,000,000 per claim.

16 (d) Commercial automobile liability insurance (equivalent in scope
17 to ISO form CA 00 01 06 92), covering Auto Symbol 1 (Any Auto) in an
18 amount not less than \$500,000 combined single limit per accident.

19 B. Any self-insurance program, self-insured retention, or
20 deductible must be separately approved in writing by City's Risk Manager or
21 designee and shall protect City, its officials, employees and agents in the same
22 manner and to the same extent as they would have been protected had the policy
23 or policies not contained retention or deductible provisions.

24 C. Each insurance policy shall be endorsed to state that
25 coverage shall not be reduced, non-renewed or canceled except after thirty (30)
26 days prior written notice to City, shall be primary and not contributing to any other
27 insurance or self-insurance maintained by City, and shall be endorsed to state that
28 coverage maintained by City shall be excess to and shall not contribute to

1 insurance or self-insurance maintained by Consultant. Consultant shall notify City
2 in writing within five (5) days after any insurance has been voided by the insurer or
3 cancelled by the insured.

4 D. If this coverage is written on a "claims made" basis, it must
5 provide for an extended reporting period of not less than one hundred eighty (180)
6 days, commencing on the date this Agreement expires or is terminated, unless
7 Consultant guarantees that Consultant will provide to City evidence of
8 uninterrupted, continuing coverage for a period of not less than three (3) years,
9 commencing on the date this Agreement expires or is terminated.

10 E. Consultant shall require that all sub-contractors or contractors
11 that Consultant uses in the performance of these services maintain insurance in
12 compliance with this Section unless otherwise agreed in writing by City's Risk
13 Manager or designee.

14 F. Prior to the start of performance, Consultant shall deliver to
15 City certificates of insurance and the endorsements for approval as to sufficiency
16 and form. In addition, Consultant shall, within thirty (30) days prior to expiration of
17 the insurance, furnish to City certificates of insurance and endorsements
18 evidencing renewal of the insurance. City reserves the right to require complete
19 certified copies of all policies of Consultant and Consultant's sub-contractors and
20 contractors, at any time. Consultant shall make available to City's Risk Manager
21 or designee all books, records and other information relating to this insurance,
22 during normal business hours.

23 G. Any modification or waiver of these insurance requirements
24 shall only be made with the approval of City's Risk Manager or designee. Not
25 more frequently than once a year, City's Risk Manager or designee may require
26 that Consultant, Consultant's sub-contractors and contractors change the amount,
27 scope or types of coverages required in this Section if, in his or her sole opinion,
28 the amount, scope or types of coverages are not adequate.

1 H. The procuring or existence of insurance shall not be
2 construed or deemed as a limitation on liability relating to Consultant's
3 performance or as full performance of or compliance with the indemnification
4 provisions of this Agreement.

5 6. ASSIGNMENT AND SUBCONTRACTING. This Agreement
6 contemplates the personal services of Consultant and Consultant's employees, and the
7 parties acknowledge that a substantial inducement to City for entering this Agreement
8 was and is the professional reputation and competence of Consultant and Consultant's
9 employees. Consultant shall not assign its rights or delegate its duties under this
10 Agreement, or any interest in this Agreement, or any portion of it, without the prior
11 approval of City, except that Consultant may with the prior approval of the City Manager
12 of City, assign any moneys due or to become due Consultant under this Agreement. Any
13 attempted assignment or delegation shall be void, and any assignee or delegate shall
14 acquire no right or interest by reason of an attempted assignment or delegation.
15 Furthermore, Consultant shall not subcontract any portion of its performance without the
16 prior approval of the City Manager or designee, or substitute an approved sub-contractor
17 or contractor without approval prior to the substitution. Nothing stated in this Section
18 shall prevent Consultant from employing as many employees as Consultant deems
19 necessary for performance of this Agreement.

20 7. CONFLICT OF INTEREST. Consultant, by executing this
21 Agreement, certifies that, at the time Consultant executes this Agreement and for its
22 duration, Consultant does not and will not perform services for any other client which
23 would create a conflict, whether monetary or otherwise, as between the interests of City
24 and the interests of that other client. And, Consultant shall obtain similar certifications
25 from Consultant's employees, sub-contractors and contractors.

26 8. MATERIALS. Consultant shall furnish all labor and supervision,
27 supplies, materials, tools, machinery, equipment, appliances, transportation and services
28 necessary to or used in the performance of Consultant's obligations under this

1 Agreement, except as stated in Exhibit "C".

2 9. OWNERSHIP OF DATA. All materials, information and data
3 prepared, developed or assembled by Consultant or furnished to Consultant in
4 connection with this Agreement, including but not limited to documents, estimates,
5 calculations, studies, maps, graphs, charts, computer disks, computer source
6 documentation, samples, models, reports, summaries, drawings, designs, notes, plans,
7 information, material and memorandum ("Data") shall be the exclusive property of City.
8 Data shall be given to City, and City shall have the unrestricted right to use and disclose
9 the Data in any manner and for any purpose without payment of further compensation to
10 Consultant. Copies of Data may be retained by Consultant but Consultant warrants that
11 Data shall not be made available to any person or entity for use without the prior approval
12 of City. This warranty shall survive termination of this Agreement for five (5) years.

13 10. TERMINATION. Either party shall have the right to terminate this
14 Agreement for any reason or no reason at any time by giving fifteen (15) calendar days
15 prior notice to the other party. In the event of termination under this Section, City shall
16 pay Consultant for services satisfactorily performed and costs incurred up to the effective
17 date of termination for which Consultant has not been previously paid. The procedures
18 for payment in Section 1.B. with regard to invoices shall apply. On the effective date of
19 termination, Consultant shall deliver to City all Data developed or accumulated in the
20 performance of this Agreement, whether in draft or final form, or in process. And,
21 Consultant acknowledges and agrees that City's obligation to make final payment is
22 conditioned on Consultant's delivery of the Data to City.

23 11. CONFIDENTIALITY. Consultant shall keep all Data confidential and
24 shall not disclose the Data or use the Data directly or indirectly, other than in the course
25 of performing its services, during the term of this Agreement and for five (5) years
26 following expiration or termination of this Agreement. In addition, Consultant shall keep
27 confidential all information, whether written, oral or visual, obtained by any means
28 whatsoever in the course of performing its services for the same period of time.

1 Consultant shall not disclose any or all of the Data to any third party, or use it for
2 Consultant's own benefit or the benefit of others except for the purpose of this
3 Agreement.

4 12. BREACH OF CONFIDENTIALITY. Consultant shall not be liable for
5 a breach of confidentiality with respect to Data that: (a) Consultant demonstrates
6 Consultant knew prior to the time City disclosed it; or (b) is or becomes publicly available
7 without breach of this Agreement by Consultant; or (c) a third party who has a right to
8 disclose does so to Consultant without restrictions on further disclosure; or (d) must be
9 disclosed pursuant to subpoena or court order.

10 13. ADDITIONAL SERVICES. The City has the right at any time during
11 the performance of the services, without invalidating this Agreement, to order extra work
12 beyond that specified in the RFP or make changes by altering, adding to or deducting
13 from the work. No extra work may be undertaken unless a written order is first given by
14 the City, incorporating any adjustment in the Agreement Sum, or the time to perform this
15 Agreement. Any increase in compensation of ten percent (10%) or less of the Agreement
16 Sum, or in the time to perform of One Hundred Eighty (180) days or less, may be
17 approved by the City Representative. Any greater increases, taken either separately or
18 cumulatively, must be approved by the City Council. It is expressly understood by
19 Consultant that the provisions of this paragraph do not apply to services specifically set
20 forth in the RFP or reasonably contemplated in the RFP. Consultant acknowledges that it
21 accepts the risk that the services to be provided pursuant to the RFP may be more costly
22 or time consuming than Consultant anticipates and that Consultant will not be entitled to
23 additional compensation for the services set forth in the RFP.

24 14. RETENTION OF FUNDS. Consultant authorizes the City to deduct
25 from any amount payable to Consultant (whether or not arising out of this Agreement)
26 any amounts the payment of which may be in dispute or that are necessary to
27 compensate the City for any losses, costs, liabilities or damages suffered by the City, and
28 all amounts for which the City may be liable to third parties, by reason of Consultant's

1 acts or omissions in performing or failing to perform Consultant's obligations under this
2 Agreement. In the event that any claim is made by a third party, the amount or validity of
3 which is disputed by Consultant, or any indebtedness exists that appears to be the basis
4 for a claim of lien, the City may withhold from any payment due, without liability for
5 interest because of the withholding, an amount sufficient to cover the claim. The failure
6 of the City to exercise the right to deduct or to withhold will not, however, affect the
7 obligations of Consultant to insure, indemnify and protect the City as elsewhere provided
8 in this Agreement.

9 15. AMENDMENT. This Agreement, including all Exhibits, shall not be
10 amended, nor any provision or breach waived, except in writing signed by the parties
11 which expressly refers to this Agreement.

12 16. LAW. This Agreement shall be construed in accordance with the
13 laws of the State of California, and the venue for any legal actions brought by any party
14 with respect to this Agreement shall be the County of Los Angeles, State of California for
15 state actions and the Central District of California for any federal actions. Consultant
16 shall cause all work performed in connection with construction of the Project to be
17 performed in compliance with (1) all applicable laws, ordinances, rules and regulations of
18 federal, state, county or municipal governments or agencies (including, without limitation,
19 all applicable federal and state labor standards, including the prevailing wage provisions
20 of sections 1770 *et seq.* of the California Labor Code); and (2) all directions, rules and
21 regulations of any fire marshal, health officer, building inspector, or other officer of every
22 governmental agency now having or hereafter acquiring jurisdiction. If any part of this
23 Agreement is found to be in conflict with applicable laws, that part will be inoperative, null
24 and void insofar as it is in conflict with any applicable laws, but the remainder of the
25 Agreement will remain in full force and effect.

26 17. PREVAILING WAGES.

27 A. Consultant agrees that all public work (as defined in California
28 Labor Code section 1720) performed pursuant to this Agreement (the "Public

1 Work”), if any, shall comply with the requirements of California Labor Code
2 sections 1770 *et seq.* City makes no representation or statement that the Project,
3 or any portion thereof, is or is not a “public work” as defined in California Labor
4 Code section 1720.

5 B. In all bid specifications, contracts and subcontracts for any
6 such Public Work, Consultant shall obtain the general prevailing rate of per diem
7 wages and the general prevailing rate for holiday and overtime work in this locality
8 for each craft, classification or type of worker needed to perform the Public Work,
9 and shall include such rates in the bid specifications, contract or subcontract.
10 Such bid specifications, contract or subcontract must contain the following
11 provision: “It shall be mandatory for the contractor to pay not less than the said
12 prevailing rate of wages to all workers employed by the contractor in the execution
13 of this contract. The contractor expressly agrees to comply with the penalty
14 provisions of California Labor Code section 1775 and the payroll record keeping
15 requirements of California Labor Code section 1771.”

16 18. ENTIRE AGREEMENT. This Agreement, including all Exhibits,
17 constitutes the entire understanding between the parties and supersedes all other
18 agreements, oral or written, with respect to the subject matter in this Agreement.

19 19. INDEMNITY.

20 A. Consultant shall indemnify, protect and hold harmless City, its
21 Boards, Commissions, and their officials, employees and agents (“Indemnified
22 Parties”), from and against any and all liability, claims, demands, damage, loss,
23 obligations, causes of action, proceedings, awards, fines, judgments, penalties,
24 costs and expenses, including attorneys’ fees, court costs, expert and witness
25 fees, and other costs and fees of litigation, arising or alleged to have arisen, in
26 whole or in part, out of or in connection with (1) Consultant’s breach or failure to
27 comply with any of its obligations contained in this Agreement, including all
28 applicable federal and state labor requirements including, without limitation, the

1 requirements of California Labor Code section 1770 *et seq.* or (2) negligent or
2 willful acts, errors, omissions or misrepresentations committed by Consultant, its
3 officers, employees, agents, subcontractors, or anyone under Consultant's control,
4 in the performance of work or services under this Agreement (collectively "Claims"
5 or individually "Claim").

6 B. In addition to Consultant's duty to indemnify, Consultant shall
7 have a separate and wholly independent duty to defend Indemnified Parties at
8 Consultant's expense by legal counsel approved by City, from and against all
9 Claims, and shall continue this defense until the Claims are resolved, whether by
10 settlement, judgment or otherwise. No finding or judgment of negligence, fault,
11 breach, or the like on the part of Consultant shall be required for the duty to defend
12 to arise. City shall notify Consultant of any Claim, shall tender the defense of the
13 Claim to Consultant, and shall assist Consultant, as may be reasonably requested,
14 in the defense.

15 C. If a court of competent jurisdiction determines that a Claim
16 was caused by the sole negligence or willful misconduct of Indemnified Parties,
17 Consultant's costs of defense and indemnity shall be (1) reimbursed in full if the
18 court determines sole negligence by the Indemnified Parties, or (2) reduced by the
19 percentage of willful misconduct attributed by the court to the Indemnified Parties.

20 D. The provisions of this Section shall survive the expiration or
21 termination of this Agreement.

22 20. FORCE MAJEURE. If any party fails to perform its obligations
23 because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain
24 labor or materials or reasonable substitutes for labor materials, governmental restrictions,
25 governmental regulations, governmental controls, judicial orders, enemy or hostile
26 governmental action, civil commotion, fire or other casualty, or other causes beyond the
27 reasonable control of the party obligated to perform, then that party's performance will be
28 excused for a period equal to the period of such cause for failure to perform.

1 21. AMBIGUITY. In the event of any conflict or ambiguity between this
2 Agreement and any Exhibit, the provisions of this Agreement shall govern.

3 22. NONDISCRIMINATION.

4 A. In connection with performance of this Agreement and subject
5 to applicable rules and regulations, Consultant shall not discriminate against any
6 employee or applicant for employment because of race, religion, national origin,
7 color, age, sex, sexual orientation, gender identity, AIDS, HIV status, handicap or
8 disability. Consultant shall ensure that applicants are employed, and that
9 employees are treated during their employment, without regard to these bases.
10 These actions shall include, but not be limited to, the following: employment,
11 upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or
12 termination; rates of pay or other forms of compensation; and selection for training,
13 including apprenticeship.

14 23. EQUAL BENEFITS ORDINANCE. Unless otherwise exempted in
15 accordance with the provisions of the Ordinance, this Agreement is subject to the
16 applicable provisions of the Equal Benefits Ordinance (EBO), section 2.73 et seq. of the
17 Long Beach Municipal Code, as amended from time to time.

18 A. During the performance of this Agreement, the Consultant
19 certifies and represents that the Consultant will comply with the EBO. The
20 Consultant agrees to post the following statement in conspicuous places at its
21 place of business available to employees and applicants for employment:

22 “During the performance of a contract with the City of Long Beach,
23 the Consultant will provide equal benefits to employees with spouses and its
24 employees with domestic partners. Additional information about the City of
25 Long Beach’s Equal Benefits Ordinance may be obtained from the City of
26 Long Beach Business Services Division at 562-570-6200.”

27 B. The failure of the Consultant to comply with the EBO will be
28 deemed to be a material breach of the Agreement by the City.

1 C. If the Consultant fails to comply with the EBO, the City may
2 cancel, terminate or suspend the Agreement, in whole or in part, and monies due
3 or to become due under the Agreement may be retained by the City. The City
4 may also pursue any and all other remedies at law or in equity for any breach.

5 D. Failure to comply with the EBO may be used as evidence
6 against the Consultant in actions taken pursuant to the provisions of Long Beach
7 Municipal Code 2.93 et seq., Consultant Responsibility.

8 E. If the City determines that the Consultant has set up or used
9 its contracting entity for the purpose of evading the intent of the EBO, the City may
10 terminate the Agreement on behalf of the City. Violation of this provision may be
11 used as evidence against the Consultant in actions taken pursuant to the
12 provisions of Long Beach Municipal Code Section 2.93 et seq., Consultant
13 Responsibility.

14 24. NOTICES. Any notice or approval required by this Agreement shall
15 be in writing and personally delivered or deposited in the U.S. Postal Service, first class,
16 postage prepaid, addressed to Consultant at the address first stated above, and to City at
17 333 West Ocean Boulevard, Long Beach, California 90802, Attn: City Manager, with a
18 copy to the City Clerk at the same address. Notice of change of address shall be given in
19 the same manner as stated for other notices. Notice shall be deemed given on the date
20 deposited in the mail or on the date personal delivery is made, whichever occurs first.

21 25. COVENANT AGAINST CONTINGENT FEES. Consultant warrants
22 that Consultant has not employed or retained any entity or person to solicit or obtain this
23 Agreement and that Consultant has not paid or agreed to pay any entity or person any
24 fee, commission or other monies based on or from the award of this Agreement. If
25 Consultant breaches this warranty, City shall have the right to terminate this Agreement
26 immediately notwithstanding the provisions of Section 10 or, in its discretion, to deduct
27 from payments due under this Agreement or otherwise recover the full amount of the fee,
28 commission or other monies.

1 26. WAIVER. The acceptance of any services or the payment of any
2 money by City shall not operate as a waiver of any provision of this Agreement or of any
3 right to damages or indemnity stated in this Agreement. The waiver of any breach of this
4 Agreement shall not constitute a waiver of any other or subsequent breach of this
5 Agreement.

6 27. CONTINUATION. Termination or expiration of this Agreement shall
7 not affect rights or liabilities of the parties which accrued pursuant to Sections 7, 10, 11,
8 18, 21 and 28 prior to termination or expiration of this Agreement.

9 28. TAX REPORTING. As required by federal and state law, City is
10 obligated to and will report the payment of compensation to Consultant on Form 1099-
11 Misc. Consultant shall be solely responsible for payment of all federal and state taxes
12 resulting from payments under this Agreement. Consultant shall submit Consultant's
13 Employer Identification Number (EIN), or Consultant's Social Security Number if
14 Consultant does not have an EIN, in writing to City's Accounts Payable, Department of
15 Financial Management. Consultant acknowledges and agrees that City has no obligation
16 to pay Consultant until Consultant provides one of these numbers.

17 29. ADVERTISING. Consultant shall not use the name of City, its
18 officials or employees in any advertising or solicitation for business or as a reference,
19 without the prior approval of the City Manager or designee.

20 30. AUDIT. City shall have the right at all reasonable times during the
21 term of this Agreement and for a period of five (5) years after termination or expiration of
22 this Agreement to examine, audit, inspect, review, extract information from and copy all
23 books, records, accounts and other documents of Consultant relating to this Agreement.

24 31. THIRD PARTY BENEFICIARY. This Agreement is not intended or
25 designed to or entered for the purpose of creating any benefit or right for any person or
26 entity of any kind that is not a party to this Agreement.

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IN WITNESS WHEREOF, the parties have caused this document to be duly executed with all formalities required by law as of the date first stated above.

ENERGY EXPERTS INTERNATIONAL, a California corporation

FEB 6, 2015

By [Signature]
Name MICHAEL WATANABE
Title PRESIDENT+CEO

2/6/2015, 2015

By [Signature]
Name Donald B Murray
Title Exec VP / COO

"Consultant"

CITY OF LONG BEACH, a municipal corporation

March 4, 2015

By [Signature]
City Manager
Assistant City Manager

EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.

"City"

This Agreement is approved as to form on Feb. 12, 2015.

CHARLES PARKIN, City Attorney

By [Signature]
Deputy

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

EXHIBIT “A-1”

Request for Proposals Number GO14-136



City of Long Beach
 Purchasing Division
 333 W Ocean Blvd/7th Floor
 Long Beach CA 90802

City of Long Beach

Request For Proposals Number GO14-136

For Consultant Services to Upgrade LBGO Manuals and Plans required under 49 CFR 192

Release Date: August 7, 2014
 Due Date: August 28, 2014

For additional information, please contact:
Michelle King, Buyer, 562-570-6020

See Page 8, for instructions on submitting proposals.

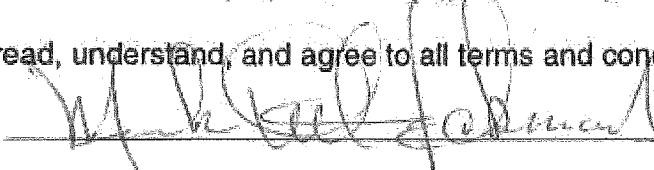
Company Name Energy Experts International Contact Person Mark Heckman

Address 555 Twin Dolphin Drive, Ste 150 City Redwood City State CA Zip 94065

Telephone (650) 593-4261 Fax (650) 593-4271 Federal Tax ID No. [REDACTED]

Prices contained in this proposal are subject to acceptance within 90 calendar days.

I have read, understand, and agree to all terms and conditions herein. Date August 26, 2014

Signed 

Print Name & Title Mark W. Heckman, Vice President & General Manager, Operations

ENERGY EXPERTS INTERNATIONAL

**City of Long Beach
Request For Proposals
Number G014-136**

**Consultant Services to Upgrade LGO Manuals and Plans Required
Under CFR 192**

August 28, 2014

**CITY OF LONG BEACH
RFP – REV 20140220**



City of Long Beach
 Purchasing Division
 333 W Ocean Blvd/7th Floor
 Long Beach CA 90802

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1. OVERVIEW OF PROJECT

1.1 Objective. The City of Long Beach Gas & Oil Department (LBGO) is seeking proposals from qualified firms (Consultant) with expertise specific to U.S. Department of Transportation (DOT) Minimum Federal Pipeline Safety Standards (49 C.F.R. 192) as it pertains to natural gas distribution pipelines. Consultant services are sought for gas distribution regulatory reporting and compliance activities, including, but not limited to, updating the following DOT required documents: Distribution Integrity Management (DIMP); Operations and Maintenance Manual (O&M); Operator Qualification (OQ); Damage Prevention, Public Awareness; and Emergency Operations. Consultant services will also include a review of the City's pipeline replacement relative to LBGO's DIMP.

LBGO requires a proven, knowledgeable, independent, objective Consultant to support its regulatory compliance responsibilities and efforts to improve the integrity of the natural gas distribution system. The Consultant will assist LBGO with those efforts through a thorough review and evaluation of the strengths, weaknesses and structural deficiencies of LBGO's existing regulatory compliance documents, provide recommendations, and, as directed, update those regulatory compliance documents in a cooperative effort with LBGO. The ideal Consultant will have demonstrable and verifiable engineering and technical writing expertise specifically related 49 C.F.R. 192 gas distribution regulatory compliance activities and requirements of the type and complexity identified in this RFP.

Responses to this RFP are required by August 28, 2014 @ 11:00 am

1.2 Background. Long Beach Gas and Oil (LBGO) have been in operation since 1924. The LBGO natural gas utility provides gas service to approximately 500,000 residents and businesses in the cities of Long Beach and Signal Hill. As a municipal utility, the citizens of Long Beach are both the customers and owners of the gas utility. LBGO maintains and operates the system through a combination of in-house municipal employees and contract labor.

More information on LBGO can be found at: <http://www.longbeach.gov/lbgo/>

1.3. Gas Distribution Infrastructure. The City's gas distribution system consists of 915 miles of distribution main pipelines and 1,020 miles of distribution service pipelines and other associated facilities, organized into five pressure districts, serving approximately 140,000 meters. A portion of the pipeline, classified as the LBGO's backbone, operates at 40 psig and supplies various pressure districts through 42 district regulator stations. The pipeline system material is both coated steel and polyethylene (PE) pipe of various sizes. The 915 miles of main pipelines consist of 750 miles of coated steel pipe and 165 miles of PE pipe. About half of the steel pipelines were installed prior to 1959. The 1,020 miles of service pipelines consist of 600 miles of coated steel pipe and 420 miles of PE pipe.



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2. ACRONYMS/DEFINITIONS

For purposes of this RFP, the following acronyms/definitions will be used:

Awarded Contractor	The organization/individual that is awarded and has an approved contract with the City of Long Beach, California for the services identified in this RFP.
City	The City of Long Beach and any department or agency identified herein.
Contractor/Consultant	Organization/individual submitting a proposal in response to this RFP.
Department / Division	Long Beach Gas & Oil (LBGO).
Evaluation Committee	An independent committee comprised solely of representatives of the City established to review proposals submitted in response to the RFP, score the proposals, and select a Contractor.
May	Indicates something that is not mandatory but permissible.
RFP	Request for Proposals.
Shall / Must	Indicates a mandatory requirement. Failure to meet a mandatory requirement may result in the rejection of a proposal as non-responsive.
Should	Indicates something that is recommended but not mandatory. If the Contractor fails to provide recommended information, the City may, at its sole option, ask the Contractor to provide the information or evaluate the proposal without the information.
Subcontractor	Third party not directly employed by the Contractor who will provide services identified in this RFP.



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3. SCOPE OF PROJECT

The Consultant shall be required to have extensive, verifiable experience in performing the type and scope of services, described herein, for gas distribution utilities with characteristics similar to the City's pipeline system.

The Consultant's primary objectives are distributed amongst the phases and tasks as defined below. LBGO will assemble different subject-matter expert (SME) teams for each phase. Each phase will require a separate initial review meeting with the specific LBGO Team and a minimum of four additional formal meetings during the course of completing that particular phase. Contractor will be expected to work with SMEs throughout the process. Work with SMEs may require additional informal meetings and/or teleconferencing. LBGO will supply SME and team resources as necessary toward the Plan development, review and implementation each phase.

Contractor shall provide a projection of proposed Contractor hours and a separate projection of LBGO staff hours required to complete each phase. Contractor shall also provide a projected timeline for the completion of each phase and the overall project.

PHASE I – Project kick-off

Task 1 – Within fifteen working days from issuance of the Notice to Proceed, the Consultant shall conduct a "kickoff meeting" to discuss and formalize the following with LBGO Project Team: project objectives, goals, communication protocols and LBGO resource requirements. The Consultant shall provide a general project schedule, including key milestones.

The kick-off meeting shall introduce Consultant and LBGO Project Team members, communicate project objectives, goals and schedules. Schedules should include time to complete each phase, as outlined below. Note, in some cases, phases may be run concurrently.

Consultant shall develop an effective communications plan that keeps the LBGO Team Members informed of issues and Task(s) status as the update of each Plan moves forward. Consultant shall assist in forging consensus among LBGO Team Members.

Task 2 – Define roles and responsibilities of Consultant and LBGO Team Members. Consultant and LBGO Team members shall determine and document the roles and responsibilities for each member, including members of the Consultant Team, and the expectations of each member during the course of the project.

Task 3 – Define information required by Consultant to initiate each Phase. Consultant shall document and define information and documentation that the Consultant believes will be necessary to update each of the Plans or Programs and present that information request to the LBGO team.



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PHASE II – Operations & Maintenance Manual (O&M)

Task 1 – Review LBGO's Operations & Maintenance Manual (O&M), based on 49 CFR 192 requirements and current LBGO operations and maintenance practices, identifying the strengths and weaknesses and present findings and recommendations to LBGO Team Members.

Task 2 – In conjunction with LBGO Team, develop Engineering Standards for common operations and maintenance tasks.

Task 3 – Prepare an updated O&M Manual with input from LBGO Team Members and present in draft form for LBGO Team review.

Task 4 – Revise O&M Manual draft as needed and deliver final Plan documents.

Task 5 – Conduct initial training and introduction of revised O&M Manual to LBGO operations personnel. Provide targeted training to specific LBGO workgroups. LBGO expects up to six group presentations for this task.

PHASE III – Distribution Integrity Management Plan (DIMP)

Task 1 – Review LBGO's Distribution Integrity Management Plan (DIMP), based on 49 CFR 192 requirements, LBGO system information and DIMP-prompted Additional and Accelerated Actions including LBGO's distribution system improvement program identifying the strengths and weaknesses, present findings and recommendations to LBGO Team Members.

Task 2 – Prepare an updated DIMP with input from LBGO Team Members and present in draft form to LBGO Team for review.

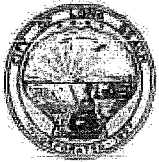
Task 3 – Review and update LBGO's Additional and Accelerated Actions, including pipeline replacement program and other LBGO activities, and incorporate those actions into the DIMP.

Task 4 – Review draft DIMP with LBGO staff, make changes as needed, and deliver final DIMP documents.

Task 5 – Conduct initial training and introduction of revised DIMP to LBGO personnel. LBGO expects up to two group presentations for this task.

PHASE IV – Emergency Operations Plan

Task 1 – Review LBGO's Emergency Operations Plan, based on 49 CFR 192 requirements and City's Disaster Preparation and Hazard Mitigation Plan, identifying the



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strengths and weaknesses, present findings and recommendations to LBGO Team members.

Task 2 – Prepare an updated Emergency Operations Plan with input from LBGO Team Members and present in draft form to LBGO Team for review.

Task 3 – Revise Emergency Operations Plan draft, as needed, and deliver final Plan documents.

Task 4 – Conduct initial training and introduction of revised Emergency Operations Plan to LBGO operations personnel. Provide targeted training to specific LBGO workgroups. LBGO expects up to three group presentations for this task.

PHASE V – Damage Prevention and Public Awareness Plans

Task 1 – Review LBGO's Damage Prevention Plan, based on 49 CFR 192 requirements and current LBGO damage prevention practices, identifying the strengths and weaknesses, present findings and recommendations to LBGO Team Members.

Task 2 – Review LBGO's Public Awareness Plan, based on 49 CFR 192 and American Petroleum Institute's Recommended Practice 1162 requirements and current LBGO public awareness and public education initiatives, identifying the strengths and weaknesses, present findings and recommendations to LBGO Team members.

Task 3 – Prepare an updated version of each Plan with input from LBGO Team Members and present in draft form to LBGO Team for LBGO review.

Task 4 – Revise each plan draft, as needed, and deliver final Plan documents.

PHASE VI – Operator Qualification Plan (OQ)

Task 1 – Review LBGO's OQ Plan, based on 49 CFR 192 requirements, current LBGO operations and maintenance practices and revised O&M plan (PHASE II, above), identifying the strengths and weaknesses, and present findings and recommendations to LBGO Team members.

Task 2 – Prepare an updated OQ plan with input from LBGO Team members and present in draft form to LBGO Team for LBGO review.

Task 3 – Revise OQ plan draft, as needed, and deliver final Plan documents.

Task 4 – Conduct initial training and introduction of revised OQ Plan to LBGO operations personnel. Provide targeted training to specific LBGO workgroups. LBGO expects up to three group presentations for this task.



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PHASE VII –Deliverables.

Deliverables: Upon completion of each Phase, the final version of designated plan shall be delivered to LBGO in electronic formats. The electronic formats shall be as follows:

1. An editable MS Word 2010 .docx file
2. A PDF format document file.

Document Structure: Each plan document shall be organized in a logical format and include a Table of Contents/Sections and a cross-reference guide between plan content and the applicable 49 CFR code section(s). The PDF deliverable shall contain hyperlinks from the cross-reference guide code annotation to the applicable section of the plan content.

Each plan shall become the sole and exclusive property of the City of Long Beach, Long Beach Gas & Oil Department upon completion of each phase of the project.

4. SUBMITTAL INSTRUCTIONS

4.1 For questions regarding this RFP, submit all inquiries via email to rfppurchasing@longbeach.gov by August 14, 2014 by 11:00 am. Responses to the questions will be posted on the City's website purchasing.longbeach.gov under the "Bids/RFPs" tab no later than August 20, 2104 by 11:00 am. All proposers are recommended to visit the abovementioned City website on a regular basis as the responses may be posted earlier than the date above.

4.2 RFP Timeline

TASK	DATE/TIME
Deadline for submitting questions	August 14, 2014 @ 11:00 am
Answers to all questions submitted available	August 20, 2014 @ 11:00 am
Deadline for submission of proposals	August 28, 2014 @ 11:00 am
Evaluation period	September 2014
Selection of Contractor	October 2014

NOTE: These dates represent a tentative schedule of events. The City reserves the right to modify these dates at any time, with appropriate notice to prospective Contractors.



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- 4.3 Contractors shall submit one (1) original proposal marked "ORIGINAL" and three (3) identical copies and one (1) digital copy (CD, Flash drive, etc) as follows:

City of Long Beach
c/o City Clerk – Attn: Michelle King
333 W. Ocean Blvd., Plaza Level
Long Beach, CA 90802

Proposals shall be clearly labeled in a sealed envelope or box as follows:

Request for Proposal No.: RFP GO 14-136

Consultant Services to upgrade LGBO Manuals and Plans

- 4.4 Proposals must be received by August 28, 2014 by 11:00 am. Proposals that do not arrive by the specified date and time WILL NOT BE ACCEPTED. Contractors may submit their proposal any time prior to the above stated deadline. The City will not be held responsible for proposal envelopes mishandled as a result of the envelope not being properly prepared. Facsimile or telephone proposals will NOT be considered unless otherwise authorized; however, proposals may be modified by fax or written notice provided such notice is received prior to the opening of the proposals.
- 4.5 The proposal should be presented in a format that corresponds to and references sections outlined below and should be presented in the same order. Responses to each section and subsection should be labeled so as to indicate which item is being addressed. For ease of evaluation, proposals should be presented in the format described within this RFP.
- 4.6 Proposals are to be prepared in such a way as to provide a straightforward, concise delineation of capabilities to satisfy the requirements of this RFP. Expensive bindings, colored displays, promotional materials, etc., are not necessary or desired. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content.
- 4.7 Descriptions on how any and all equipment and/or services will be used to meet the requirements of this RFP shall be given, in detail, along with any additional information documents that are appropriately marked.
- 4.8 The proposal must be signed by the individual(s) legally authorized to bind the Contractor.



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- 4.9 If complete responses cannot be provided without referencing supporting documentation, such documentation must be provided with the proposal and specific references made to the tab, page, section and/or paragraph where the supplemental information can be found.
- 4.10 Proposals shall be submitted in two (2) distinct parts - the **narrative/technical proposal** and the **cost proposal**. **THE NARRATIVE/TECHNICAL PROPOSAL MUST NOT INCLUDE COST AND PRICING INFORMATION.** The narrative/technical proposal will be reviewed first and then the cost proposal. Therefore, each part should be **packaged separately, but submitted together**.

5. PROPOSAL EVALUATION AND AWARD PROCESS

- 5.1 Proposals shall be consistently evaluated based upon the following criteria:
- 5.1.1 Demonstrated competence;
 - 5.1.2 Experience in performance of comparable engagements;
 - 5.1.3 Reasonableness of cost;
 - 5.1.4 Expertise and availability of key personnel;
 - 5.1.5 Financial stability; and
 - 5.1.6 Conformance with the terms of this RFP.
- 5.2 Proposals shall be kept confidential until a contract is awarded.
- 5.3 The City may also contact the references provided in response to Section 8.3; contact any Contractor to clarify any response; contact any current users of a Contractor's services; solicit information from any available source concerning any aspect of a proposal; and seek and review any other information deemed pertinent to the evaluation process. The City shall not be obligated to accept the lowest priced proposal, but shall make an award in the best interests of the City of Long Beach.
- 5.4 The City reserves the right to request clarification of any proposal term from prospective Contractors.
- 5.5 Selected Contractor(s) will be notified in writing. Any award is contingent upon the successful negotiation of final contract terms. Negotiations shall be confidential and not subject to disclosure to competing Contractors unless and until an agreement is reached. If contract negotiations cannot be concluded successfully, the City reserves the right to negotiate a contract with another Contractor or withdraw the RFP.
- 5.6 Any contract resulting from this RFP shall not be effective unless and until approved by the City Council / City Manager, as applicable.



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6. PROTEST PROCEDURES

6.1 Who May Protest

Only a proposer who has actually submitted a proposal is eligible to protest a contract awarded through a Request for Proposals ("RFP"). A proposer may not rely on the protest submitted by another proposer but must pursue its own protest.

6.2 Time for Protest

The City will post a notice of the intent to award a contract at least ten (10) business days before an award is made. The notice will be available to all proposers who submitted a proposal via the City's electronic bid notification system at <http://www.longbeach.gov/purchasing/default.asp>. A proposer desiring to submit a protest for a proposal must do so within five (5) business days of the electronic notification of intent to award. The City Purchasing Agent must receive the protest by the close of business on the fifth (5th) business day following posting of notification of intent to award the contract. Proposers are responsible for registering with the City's electronic bid notification system and maintaining an updated Contractor profile. The City is not responsible for proposers' failure to obtain notification for any reason, including but not limited to failure to maintain updated email addresses, failure to open/read electronic messages and failure of their own computer/technology equipment. The City's RFP justification memo will be available for review by protestors once the notification of intent to award has been posted via the City's electronic bid notification system.

6.3 Form of Protest

The protest must be in writing and signed by the individual who signed the proposal or, if the proposer is a corporation, by an officer of the corporation, and addressed to the City Purchasing Agent. Protests may be submitted via US Mail, hand delivery or email, and must include a valid email address, street address and phone number sufficient to ensure that the City's decision concerning the protest will be received. Protests must set forth a complete and detailed statement of the grounds for the protest and include all relevant information to support the grounds stated, and must refer to specific portions of the RFP and attachments upon which the protest is based. Once the protest is received by the City Purchasing Agent, the City will not accept additional information on the protest unless the City requests it.

6.4 City Response to Protest

The City Purchasing Agent or designee will respond with a decision regarding the protest within two (2) business days of receipt of protest by email or US Mail to the address provided in the protest. This decision shall be final.



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6.5 Limitation of Remedy

The procedure and time limits set forth herein are mandatory and are the proposer's sole and exclusive remedy in the event of a protest. The proposer's failure to comply with these procedures shall constitute a waiver of any right to further pursue a protest, including filing a Government Code Claim or initiation of legal proceedings.

7. PROJECT SPECIFICATIONS

N/A

8. WARRANTY/MAINTENANCE AND SERVICE

N/A

9. COMPANY BACKGROUND AND REFERENCES

9.1 Primary Contractor Information

Contractors must provide a company profile. Information provided shall include:

- Company ownership. If incorporated, the state in which the company is incorporated and the date of incorporation. An out-of-state Contractor must register with the State of California Secretary of State before a contract can be executed (<http://www.sos.ca.gov/business/>).
- Location of the company offices.
- Location of the office servicing any California account(s).
- Number of employees both locally and nationally.
- Location(s) from which employees will be assigned.
- Name, address and telephone number of the Contractor's point of contact for a contract resulting from this RFP.
- Company background/history and why Contractor is qualified to provide the services described in this RFP.
- Length of time Contractor has been providing services described in this RFP to the **public and/or private sector**. Please provide a brief description.
- Resumes for key staff to be responsible for performance of any contract resulting from this RFP.

9.2 Subcontractor Information

9.2.1 Does this proposal include the use of subcontractors?

Yes _____ No X

Initials



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If "Yes", Contractor must:

- 9.2.1.1 Identify specific subcontractors and the specific requirements of this RFP for which each proposed subcontractor will perform services.
- 9.2.1.2 Provide the same information for any subcontractors as is indicated in Section 9.1 for the Contractor as primary contractor.
- 9.2.1.3 References as specified in Section 9.3 below must also be provided for any proposed subcontractors.
- 9.2.1.4 The City requires that the awarded Contractor provide proof of payment of any subcontractors used for this project. Proposals shall include a plan by which the City will be notified of such payments.
- 9.2.1.5 Primary contractor shall not allow any subcontractor to commence work until all insurance required of subcontractor is obtained.

9.3 References

Contractors should provide a minimum of five (5) references from similar projects performed for state and/or large local government clients within the last three years. Information provided shall include:

- Client name;
- Project description;
- Project dates (starting and ending);
- Technical environment;
- Staff assigned to reference engagement that will be designated for work per this RFP;
- Client project manager name and telephone number.

9.4 Business License

The Long Beach Municipal Code (LBMC) requires all businesses operating in the City of Long Beach to pay a business license tax. In some cases the City may require a regulatory permit and/or evidence of a State or Federal license. Prior to issuing a business license, certain business types will require the business license application and/or business location to be reviewed by the Development Services, Fire, Health, and/or Police Departments. For more information, go to www.longbeach.gov/finance/business_license.



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10. **COST**

Proposals shall include a cost detail breakdown for completing each Phase. The breakdown shall include line items for estimated hours for each task and also include travel and accommodations for on-site meetings. Proposers shall include an hourly rate sheet and a list of assumptions used to determine the cost breakdown.

11. **BONDS – N/A**

12. **ADDITIONAL REQUIREMENTS FROM FUNDING SOURCE – N/A**

13. **TERMS, CONDITIONS AND EXCEPTIONS**

13.1 This contract will be for a period of 24 months with two annual renewal options at the discretion of the City. The contract term will not exceed 48 months.

13.2 The City reserves the right to alter, amend, or modify any provisions of this RFP, or to withdraw this RFP, at any time prior to the award of a contract pursuant hereto, if it is in the best interest of the City to do so.

13.3 The City reserves the right to waive informalities and minor irregularities in proposals received.

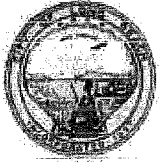
13.4 The City reserves the right to reject any or all proposals received prior to contract award.

13.5 The City shall not be obligated to accept the lowest priced proposal, but will make an award in the best interests of the City of Long Beach after all factors have been evaluated.

13.6 Any irregularities or lack of clarity in the RFP should be brought to the Purchasing Division designee's attention as soon as possible so that corrective addenda may be furnished to prospective Contractors.

13.7 Proposals must include any and all proposed terms and conditions, including, without limitation, written warranties, maintenance/service agreements, license agreements, lease purchase agreements and the Contractor's standard contract language. The omission of these documents may render a proposal non-responsive.

13.8 Alterations, modifications or variations to a proposal may not be considered unless authorized by the RFP or by addendum or amendment.



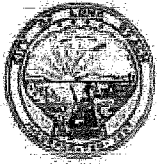
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- 13.9 Proposals which appear unrealistic in the terms of technical commitments, lack of technical competence, or are indicative of failure to comprehend the complexity and risk of this contract, may be rejected.
- 13.10 Proposals may be withdrawn by written or facsimile notice received prior to the proposal opening time.
- 13.11 The price and amount of this proposal must have been arrived at independently and without consultation, communication, agreement or disclosure with or to any other contractor, Contractor or prospective Contractor.
- 13.12 No attempt may be made at any time to induce any firm or person to refrain from submitting a proposal or to submit any intentionally high or noncompetitive proposal. All proposals must be made in good faith and without collusion.
- 13.13 Prices offered by Contractors in their proposals are an irrevocable offer for the term of the contract and any contract extensions. The awarded Contractor agrees to provide the purchased services at the costs, rates and fees as set forth in their proposal in response to this RFP. No other costs, rates or fees shall be payable to the awarded Contractor for implementation of their proposal.
- 13.14 The City is not liable for any costs incurred by Contractors prior to entering into a formal contract. Costs of developing the proposals or any other such expenses incurred by the Contractor in responding to the RFP, are entirely the responsibility of the Contractor, and shall not be reimbursed in any manner by the City.
- 13.15 Proposal will become public record after the award of a contract unless the proposal or specific parts of the proposal can be shown to be exempt by law. Each Contractor may clearly label all or part of a proposal as "CONFIDENTIAL" provided that the Contractor thereby agrees to indemnify and defend the City for honoring such a designation. The failure to so label any information that is released by the City shall constitute a complete waiver of any and all claims for damages caused by any release of the information.
- 13.16 A proposal submitted in response to this RFP must identify any subcontractors, and outline the contractual relationship between the awarded Contractor and each subcontractor. An official of each proposed subcontractor must sign, and include as part of the proposal submitted in response to this RFP, a statement to the effect that the subcontractor has read and will agree to abide by the awarded Contractor's obligations.
- 13.17 The awarded Contractor will be the sole point of contract responsibility. The City will look solely to the awarded Contractor for the performance of all contractual obligations which may result from an award based on this RFP, and the awarded Contractor shall not be relieved for the non-performance of any or all subcontractors.



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- 13.18 The awarded Contractor must maintain, for the duration of its contract, insurance coverage's as required by the City. Work on the contract shall not begin until after the awarded Contractor has submitted acceptable evidence of the required insurance coverage's.
- 13.19 Each Contractor must disclose any existing or potential conflict of interest relative to the performance of the contractual services resulting from this RFP. Any such relationship that might be perceived or represented as a conflict should be disclosed. The City reserves the right to disqualify any Contractor on the grounds of actual or apparent conflict of interest.
- 13.20 Each Contractor must include in its proposal a complete disclosure of any alleged significant prior or ongoing contract failures, any civil or criminal litigation or investigation pending which involves the Contractor or in which the Contractor has been judged guilty or liable. Failure to comply with the terms of this provision will disqualify any proposal. The City reserves the right to reject any proposal based upon the Contractor's prior history with the City or with any other party, which documents, without limitation, unsatisfactory performance, adversarial or contentious demeanor, significant failure(s) to meet contract milestones or other contractual failures.
- 13.21 The City will not be liable for Federal, State, or Local excise taxes.
- 13.22 Execution of Attachment A of this RFP shall constitute an agreement to all terms and conditions specified in the RFP, including, without limitation, the Attachment B contract form and all terms and conditions therein, except such terms and conditions that the Contractor expressly excludes.
- 13.23 The City reserves the right to negotiate final contract terms with any Contractor selected. The contract between the parties will consist of the RFP together with any modifications thereto, and the awarded Contractor's proposal, together with any modifications and clarifications thereto that are submitted at the request of the City during the evaluation and negotiation process. In the event of any conflict or contradiction between or among these documents, the documents shall control in the following order of precedence: the final executed contract, the RFP, any modifications and clarifications to the awarded Contractor's proposal, and the awarded Contractor's proposal. Specific exceptions to this general rule may be noted in the final executed contract.
- 13.24 Contractor understands and acknowledges that the representations above are material and important, and will be relied on by the City in evaluation of the proposal. Any Contractor misrepresentation shall be treated as fraudulent concealment from the City of the true facts relating to the proposal.



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13.25 No announcement concerning the award of a contract as a result of this RFP may be made without the prior written approval of the City.

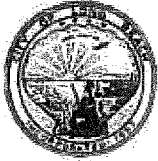
13.26 Proposers are advised that any contract awarded pursuant to this procurement process shall be subject to the applicable provisions of Long Beach Municipal Code Section 2.73 *et seq.*, the Equal Benefits Ordinance. Proposers shall refer to attachment/appendix for further information regarding the requirements of the ordinance.

All Proposers shall complete and return, with their bid, the Equal Benefits Ordinance Compliance form contained in the attachment/appendix. Unless otherwise specified in the procurement package, Proposers do not need to submit with their bid supporting documentation proving compliance. However, supporting documentation verifying that the benefits are provided equally shall be required if the proposer is selected for award of a contract.

13.27 All work performed in connection with construction shall be performed in compliance with all applicable laws, ordinances, rules and regulations of federal, state, county or municipal governments or agencies (including, without limitation, all applicable federal and state labor standards, including the prevailing wage provisions of sections 1770 *et seq.* of the California Labor Code), and (b) all directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction. The Contractor shall indemnify, defend and hold the City harmless from any and all claims, causes of action and liabilities based upon or arising from the failure of any work related to the Project to comply with all such applicable legal requirements, including, without limitation, any such claims, causes of action or liabilities that may be asserted against or incurred by City with respect to or in any way arising from the Project's compliance with or failure to comply with applicable laws, including all applicable federal and state labor requirements including, without limitation, the requirements of California Labor Code section 1770 *et seq.*

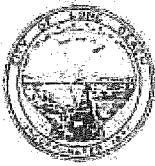
Contractor agrees that all public work (as defined in California Labor Code section (1720) performed pursuant to this Agreement (the "Public Work"), if any, shall comply with the requirements of California Labor Code sections 1770 *et seq.* City makes no representation or statement that the project or any portion thereof, is or is not a "public work" as defined in California Labor Code section 1720.

In all bid specifications, contracts and subcontracts for any such Public Work, Contractor shall obtain the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in this locality for each craft, classification or type of worker needed to perform the Public Work, and shall include such rates in the bid specifications, contract or subcontract. Such bid specifications, contract or subcontract must contain the following provision: "It shall be mandatory for the contractor to pay not less than the said prevailing rate of wages to all workers



City of Long Beach
Purchasing Division
333 W Ocean Blvd/7th Floor
Long Beach CA 90802

employed by the contractor in the execution of this contract. The contractor expressly agrees to comply with the penalty provisions of California Labor Code section 1775 and the payroll record keeping requirements of California Labor Code section 1771."



Statement of Non-collusion

The proposal is submitted as a firm and fixed request valid and open for 90 days from the submission deadline.

This proposal is genuine, and not sham or collusive, nor made in the interest or in behalf of any person not herein named; the proposer has not directly or indirectly induced or solicited any other proposer to put in a sham proposal and the proposer has not in any manner sought by collusion to secure for himself or herself an advantage over any other proposer.

In addition, this organization and its members are not now and will not in the future be engaged in any activity resulting in a conflict of interest, real or apparent, in the selection, award, or administration of a subcontract.



Authorized signature and date

Mark W. Heckman, Vice President & General Manager, Operations

Print Name & Title

Request for Taxpayer Identification Number and Certification

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

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return) Energy Experts International	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input checked="" type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	Exemptions (see instructions): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____
	Address (number, street, and apt. or suite no.) 555 Twin Dolphin Drive, Suite 150 City, state, and ZIP code Redwood City, CA 94065	Requester's name and address (optional)
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

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

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

Social security number												
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> </tr> </table>												
Employer identification number												

Part II Certification

Under penalties of perjury, I certify that:

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

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

Sign Here	Signature of U.S. person ▶	Date ▶ January 15, 2014
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General Instructions

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

Future developments. The IRS has created a page on IRS.gov for information about Form W-9, at www.irs.gov/w9. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

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

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.



City of Long Beach
Purchasing Division
333 W Ocean Blvd 7th Floor
Long Beach CA 90802

INSURANCE REQUIREMENTS

- Contractor shall submit proof of insurability from an insurance company with an 8 rating (as specified in City AR 8-27) from AM Best Company with bid. Failure to submit this proof will disqualify the bid.
- Successful bidder shall obtain and maintain at its expense until completion of performance and acceptance by the City, from an insurer.
 - o Admitted (Licensed) in the State of California with a current financial responsibility rating of an Excellent or better and a current financial size category (FSC) of V (Capital Surplus and Conditional Surplus Funds of greater than \$10 million) or greater rating as reported by AM Best Company or equivalent, unless waived in writing by the City's Risk Manager, or
 - o Non-admitted in the State of California with a current financial responsibility rating of an Excellent or better and a current financial size category (FSC) of VIII (Capital Surplus Funds or greater than \$100 million) or greater rating as reported by AM Best Company or equivalent, unless waived in writing by City's Risk Manager.
 - o Comprehensive General Liability naming City, its Officials, Employees and Agents as additional insureds for injury to or death of persons or damage to or loss of property arising from or connected to vendor's performance here-under \$1,000,000 combined single limit for each occurrence and \$2,000,000 General Aggregate.
 - o Automobile Liability: \$500,000 combined single limit per accident for bodily injury and property damage covering owned, non-owned and hired vehicles.
 - o Worker's Compensation: As required by California Labor Code.
- Self-insurance of self-insured retention must be approved in writing by City and protect City in same manner and extent as if policies had not contained retention. Each policy must be endorsed to state that coverage shall not be cancelled by either party or reduced in coverage except after 30 days prior written notice to City. Vendor must furnish to City before performance certificates of insurance and original endorsements, with the original signature of one authorized by the insurer to bind coverage on its behalf, for approval as to sufficiency and form. This insurance shall not be deemed to limit vendor's liability hereunder.
- Contractor shall maintain at its expense, until completion of performance and acceptance by City, from an insurer:
 - o Admitted (licensed) in the State of California with a current financial responsibility rating of A (Excellent) or better and a current financial size category (FSC) of V (capital surplus and conditional surplus funds of greater than \$10 million) or greater rating as reported by A.M. Best Company or equivalent, unless waived in writing by City's Risk Manager.



City of Long Beach
 Purchasing Division
 333 W Ocean Blvd 7th Floor
 Long Beach CA 90802

- Non-admitted in the State of California with a current financial responsibility rating of A (Excellent) or better and a current financial size category (FSC) of VIII (capital surplus and conditional surplus funds of greater than \$100 million) or greater rating as reported by A.M. Best Company or equivalent, unless waived in writing by City's Risk Manager.
- All coverages for Subcontractors shall be subject to the requirements stated herein and shall be maintained at no expense to the City.
- Contractor shall furnish the City with certificates of insurance and original endorsements providing coverage as required above. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.
- Before any of Contractor's or Subcontractor's employees shall do any work on the City's property, Contractor shall furnish the City with the required certificates evidencing that such insurance is being maintained. Such certificates shall specify the date when such insurance expires. Such insurance shall be maintained until after the Work under the Contract has been completed and accepted.
- Such insurance as required herein or in any other documents to be considered a part hereof shall not be deemed to limit Contractor's liability under this Contract.
- Contractor shall defend, indemnify and hold harmless the City, its officials and employees from and against any and all liability for claims for bodily injury and property damage arising out of negligent acts, omissions or errors of any employee of Contractor at the Site.
- Contractor shall list the name and location of the place of business of each Subcontractor who will perform work, labor or services for Contractor, or who specially fabricates and installs a portion of the Work or improvement in an amount in excess of one-half of one percent of Contractor's total contract cost. The Subcontractor list shall be submitted with Contractor's Bid.

By submitting a signature below, Bidder promises that insurance requirements can be provided as requested

Printed Name: MARK W. HECKMAN THE VICE PRESIDENT & GENERAL MANAGER, OPERATIONS

Signature: [Handwritten Signature] Date: AUGUST 26, 2011

Request for Taxpayer Identification Number and Certification

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

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return) Energy Experts International		
	Business name/disregarded entity name, if different from above		
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input checked="" type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	Exemptions (see instructions): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____	
	Address (number, street, and apt. or suite no.) 555 Twin Dolphin Drive, Suite 150	Requester's name and address (optional)	
	City, state, and ZIP code Redwood City, CA 94065	List account number(s) here (optional)	

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

Part II Certification
Under penalties of perjury, I certify that:
<ol style="list-style-type: none"> The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and I am a U.S. citizen or other U.S. person (defined below), and The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.
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Sign Here	Signature of U.S. person ▶	Date ▶ January 15, 2014
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General Instructions

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- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

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EXHIBIT “A-2”

Scope of Work

ENERGY EXPERTS INTERNATIONAL

**City of Long Beach
Request For Proposals
Number G014-136**

**Consultant Services to Upgrade LGO Manuals and
Plans Required Under CFR 192**

August 28, 2014

ELECTRONIC COPY

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ENERGY EXPERTS INTERNATIONAL

GENERAL INFORMATION

INTRODUCTION

Energy Experts International, Inc. (EEIntl) is an international management and technical consulting firm specializing in energy supply, delivery and utilization systems. Established in 1998, EEIntl serves a diverse client base across the United States, as well as serving numerous international clients. EEIntl has four regional offices; The Corporate Headquarters is located in Redwood City, California in the San Francisco Bay Area, the East Coast Regional Office located in Newark, New Jersey, the Mid-West Regional Office located in Schaumburg, Illinois, and a European Office in Brussels, Belgium.

EEIntl can provide a teams of professional and technical personnel having extensive expertise in gas, electric and other utility operations to augment the evaluation of current management and operations policies, practices and procedures.

As it pertains to this proposal, EEIntl will be primarily focusing on providing technical consultant services to upgrade LBGO Manuals and Plans required under 49 CFR192. The works includes, but is not limited to review, GAP analysis of documents and practices, updating manuals and documents, and training. *All employees have significant, expert first-hand experience in the pipeline utility industry, with significant background in Gas Distribution Operations and compliance..*

EEIntl is well qualified by experience and expert knowledge to make technical assessments on a wide range of pipeline related issues, ranging from federal and state safety requirements and mandated regulatory requirements. EEIntl's expert team consists of nationally recognized Subject Matter Experts (SMEs). Specifically related to this proposal, key EEIntl personnel participated in and contributed to the development and publication, as requested by the Office of Pipeline Safety (OPS), by the Gas Piping Technology Committee (GPTC) of guidelines to be used by Gas Distribution Pipeline Operators to assist them in being compliant with Distribution Integrity Management Program (DIMP) regulations. This material was later incorporated by the OPS into Subpart P of DIMP rules.

Consulting in the energy industry is EEIntl's only business. As such, EEIntl is singularly focused in experience, training, resources, clients and customer service to energy-related entities. EEIntl primarily practices its expertise in three energy sectors – natural gas, electric power, and oil (crude and products). Natural gas expertise spans operations in the upstream, midstream and downstream sectors.

CORPORATE INFORMATION

Company Title: Energy Experts International, Inc. (A California Corporation)

Length of Time in Existence: 15 years (Established October 1, 1998; Incorporated July 21, 1999)

Federal ID Number: [REDACTED]

DUNS Number 136520470

Number of Employees ~200 full-time and part-time employees; more than 250 consultants retained via professional services agreement

Brief description of company's principal areas of activity: Energy Experts International, Inc. (EEIntl) is an international management and technical consulting firm specializing in energy supply, delivery and utilization systems. EEIntl is singularly focused and committed to providing premier management and technical consultation to energy companies, regulatory and research organizations, and end-users. EEIntl provides expertise in three energy sectors: Natural Gas, Electric Power, and Oil (crude and products). Services include: Business Development & Management; Operations Management; Support Services Management; Technology Management; Intelligence & Information; Training & Education; and Utility Engineering & Technical Services.

Corporate Diversity EEIntl is a minority owned business enterprise

Website www.eeintl.com

PERSONNEL – EXPERIENCE & TECHNICAL EXPERTISE

KEY PERSONNEL

Energy Experts International's (EEIntl's) project team members each have individually been responsible for certain facets of the natural gas pipeline infrastructure. Collectively, EEIntl's project team has been responsible for virtually all facets of transmission and distribution pipeline safety, permitting, design, material selection, engineering, construction, commissioning, operations, integrity assessment, and compliance.

EEIntl will dedicate a senior executive as a Major Account Representative (Mr. Mark Heckman, Vice President & General Manager, Operations) to the City of Long Beach for the oversight responsibility in this project, as well as to serve as a key contact representative for Energy Experts International. Mr. Heckman will oversee the resource requirements for this project from EEIntl's staff of qualified engineers, technical experts and operations personnel.

Ms. Carol A. Hynes, P.E. will serve as the Project Manager and Principle Engineer. She will develop work schedules and plans, ensure the successful review of Documents, plans and operating procedures, including the identification of Gaps and shortcomings, and recommend changes to documents, plans and operations. Ms. Hynes is a 35 year veteran of the natural gas industry with extensive experience and knowledge of the federal regulations for the safe operations of natural gas transmission and distribution systems (49 CFR 192 and industry standards), Transmission and Distribution Pipeline Integrity Management, Management of compliance programs for natural gas systems, design and construction of natural gas systems, operation and maintenance of natural gas piping and facilities, and project management.

In addition to Carol Hynes, EEIntl will utilize internal resources, which will include nationally known Subject Matter Experts (SMEs) serving on national technical committees to address specific concerns.

PROJECT PROPOSAL

BACKGROUND

The City of Long Beach is seeking to contract expert consulting services, with specific expertise and experience with the U.S. Department of Transportation (DOT) Minimum Federal Pipeline Safety Standards, 49 CFR 192, as it pertains to gas distribution pipelines. The consultant services are sought for gas distribution regulatory and compliance activities, including, but not limited to updating the following DOT required documents: Distribution Integrity Management (DIMP); Operations and Maintenance Manual (O&M); Operator Qualification (OQ); Damage Prevention, Public awareness; and Emergency Operations. Included in the project will also be a review of the City's pipeline replacement relative to LBGO's DIMP.

Energy Experts International has been requested to submit a project proposal to conduct a detailed review and analysis of LBGO's documents, plans and operations, submit recommendations for improvement of the documents, plans and operations, update the associated documents, and provide training as required.

As specified by Request For Proposals Number GO14-136, the proposal is being submitted in two (2) distinct parts:

- **NARRATIVE/TECHNICAL PROPOSAL**
- **COST PROPOSAL**

NARRATIVE/TECHNICAL PROPOSAL

PHASE I

Project Kick-off

TASK 1

EEIntl will conduct a project kick-off meeting with the designated LBGO Project Team within 15 working days of the issuance of the Notice To Proceed. The kick-off meeting will be held at a location to be determined by the LBGO project lead. The kick-off meeting shall be focused on the following:

- *Confirming specific project goals and objectives:*
 - Establish Specific Project Goals.
 - Define the overall project objective and individual phase objectives. Identify any specific issues that may impact the project.
 - Identify specific timing/scheduling requirements.
 - Agree on the level of document, plan, operation review and GAP analysis required in the various project PHASES---are there variations in the goals and requirements of the various PHASES?
- *Establish Communication/Documentation Protocol:*
 - Establish Key contacts for both LBGO and the EEIntl. And introduce Key Team Members.
 - How are communication to be carried out?
 - Definition of formal communication and routing (including appropriate copies) vs. informal communication.
 - Document retention protocol.
 - Protocol for agreement or approval of changes and/or recommendations (level of approval for formal vs. informal approval).
- *Project Schedule:*
 - EEIntl will present a draft project schedule to the LBGO for review and discussion.
 - The schedule will include specific tasks required to complete each task, a preliminary estimate of contractor time required to complete the task, an estimate of LBGO resource required for the task (including onsite support and document review and approval).
 - Gather information to improve schedule, agree on process and protocol to update and improve project schedule
- *Project Status Reports:*
 - Establish frequency and format of project status reports.
 - Establish process for issues identified in status reports.
 - Establish process for proposing and approving and documenting agreements and change orders.

TASK 2

Task 2 will be included in, and accomplished at the same time as TASK 1. The LBGO and EEIntl project team members shall include a discussion item in the Kick-off meeting to be held as TASK 1 to define and establish the roles and responsibilities of the team members (Project Managers/Leads, consultant specialists, consultant technical writers, and consultant trainers, and LBGO project support personnel). The EEIntl Project Manager will provide a draft of the consultants proposed roles and responsibilities to the LBGO Team at the Kick-off meeting for review and discussion.

TASK 3

Task 3 will be included in, and accomplished at the same time as TASK 1. In order to fully understand and meet the goals and objectives of the project, as described in TASK 1, the EEIntl Team will lead a discussion of the types of documentation and information that will be required to accomplish the goals of each phase. This information will also be critical in the determination of LBGO support requirements specific to each phase of the project. This discussion will include, but, not be limited to gathering of information, review and commenting on recommendations, and the final approval of submitted documents, plans and training materials.

ESTIMATED RESOURCE TIME, REQUIREMENTS, & SCHEDULE DURATION – PHASE I

CONTRACTOR PHASE I

Activity	No. Resources	Task Hours	Duration
TASK 1	Up to 3	64 hrs	4 wks
TASK 2*	*	*	*
TASK 3*	*	*	*
Estimated Resource Requirements	Up to 3 (Project Manager + up to 2 SME's)	64 hrs	4 weeks

Notes: *Included in Task 1 as described in narrative.

LBGO PHASE I

Activity	No. Resources	Task Hours	Duration
Contract Award			
TASK 1	Up to 3	16 hrs x 3 = 48 hrs	
TASK 2*	*	*	*
TASK 3*	*	*	*
Estimated Resource Requirements	Up to 3 (Specialty Supervisors/Technical Leads)	48hrs.	4 Weeks

Notes: **Included in Task 1 as described in narrative.*

***Assumes 1 Supervisor or technical lead for each phase, the estimate may be reduced if Phases are combined under a single supervisor/technical lead. Additionally, this would also reduce the total number of hours required for LBGO in each Task. The EEIntl Project Manager will coordinate closely with the LBGO Project Manager to minimize the number of LBGO resources required.*

PHASE II

Operations & Maintenance Manual (O&M)

TASK 1

Following the Kick-off meeting and approval of the Project Schedule and Plan, the EEIntl Operations and Maintenance SME (technical lead) will contact the LBGO O&M lead and schedule a meeting to:

- To obtain copies of existing documents to be reviewed and to perform a GAP Analysis with regard to the requirements of 49 CFR 192.
- Schedule and perform an audit of records and local practices, including interviews of key O&M supervisors and/or personnel.
- Complete a GAP Analysis to identify strengths and weaknesses of LBGO manuals, documents and practices.
- Prepare a written report detailing the findings of the GAP analysis and recommendation to improve current documents and practices, and identify new standards, documents and practices that are needed to comply with 49 CFR 192.
- Provide written findings to LBGO for review and comment, schedule on site with LBGO to review and begin Task 2.

TASK 2

The EEIntl Operations and Maintenance SME (technical lead) will schedule a meeting review the findings of the GAP analysis the LBGO Phase II lead and team. The Goals of the meeting include, but are not limited to:

- Understanding of the findings and recommendations.
 - Verification of the findings.
 - Identify and make modifications/corrections as may be required.
- Approval of the recommendations.
 - Establish priority of actions (documents and procedures) to be taken.
 - Verify the review and approval process to be followed.
 - Identify any additional reviews or technical contacts.
 - Verify methodology to exchange comments and record document changes and decisions.
 - Agree upon review cycle, time allotted to review and approve documents and procedures.
- Confirm status report schedule, requirements, and protocols to approve status reports and respond to, resolve status issues.
- Identify agree upon which documents are to be developed as standards, operating documents, or procedures for “common operations and maintenance tasks”.

Documents will be drafted by the EEIntl SME, reviewed and approved by the LBGO designate and forward to the EEIntl Technical writer for formatting, inclusion of hyperlinks and cross references to LBGO standards, operating documents and work procedures, as well as applicable sections of 49 CFR 192.

Completed document will be electronically sent to LBGO to review, comment, and approval. Required or recommend changes will be discussed, documented, and approved prior to initiating changes to draft documents. Upon approval by LBGO, documents will be processed for signature and incorporation into training materials, manuals, operating processes.

TASK 3

Documents required to update the LBGO O&M Manual will be identified and incorporated into the work performed in Tasks 1 & 2. The process for creating the updated O&M Manual will be on going and included as a coordinated overall plan to update and create operating and maintenance standards, documents, procedures and training materials for “common operations and maintenance practices”. Specific to the creation of O&M Manuals:

- The EEIntl SME and Technical Writer will directly with the LBGO team to determine which documents will be included in the O&M Manual.
- The EEIntl SME and Technical Writer will recommend a organization plan for the O&M Manual.
 - The organization plan will be submitted to the LBGO TEAM for review, comment, and approval.
 - The EEIntl SME and Technical Writer will work with LGGO Team to incorporate comments and recommendations for organization and improvement that will improve the ease of use of the document by LBGO personnel.

TASK 4

The EEIntl SME and Technical Writer will take the incorporate the changes requested by LBGO into the O&M Manual. The EEIntl Technical will prepare the final document package for delivery to LBGO as follows:

- An editable MS Word 2010.docx file.
- A PDF format document file.
- The Manual shall include:
 - Table of Contents
 - Cross-reference guide between plan content and the applicable 49 CFR 192 section(s)
 - Hyperlinks from the cross-reference guide code annotation to appropriate sections of the plan.

TASK 5

The EEIntl SME and Technical Writer develop training materials in conjunction with the LBGO Team specific to the needs and requirements of each document and procedure developed. Based upon the specific requirements and agreement between the consultant and the LBGO Team the training documents may include, but be limited to the following:

- Summary of the changes made to the document or work procedure.
- Summary of the new document or work procedure requirements and tasks.
- Simplified single sheet work procedure document.

EEIntl will present a training session to introduce the new standards, documents and procedures to LBGO Employees. Training documents and the training itinerary will be prepare and presented to the LBGO team for review, comment and approval prior to presentation. The presentation will include visual aids, documents, and job aids.

**ESTIMATED RESOURCE TIME, REQUIREMENTS, & SCHEDULE DURATION –
PHASE II**

CONTRACTOR PHASE II

Activity	No. Resources	Task Hours	Duration
TASK 1	1	100hrs	6wks
TASK 2	2	540hrs*	12wks
TASK 3	2	60hrs	2wks
TASK 4	2	40hrs	2wks
TASK 5	2	50hrs	2wks
Estimated Resource Requirements	2	790hrs*	20wks**

Notes: **Assume: (1) Meeting time, plus 8 hrs review per drafted document (assume 30 documents for EEIntl SME and 10hrs/document for EEIntl Technical Writer. The assumed number of 30 documents will be corrected and a firm estimate provided after project kick-off when the scope is firmly defined.*

***Duration may be shortened when the #of documents in the scope are identified, and opportunities to combine actions are identified and included specific to the work to be accomplished.*

LBGO PHASE II

Activity	Participant	No. Resources	Task Hours	Duration
TASK 1	LBGO	1	32 hrs	
TASK 2	LBGO	1+*	40hrs	
TASK 3	LBGO	1+*	20hrs	
TASK 4	LBGO	1+*	16hrs	
TASK 5	LBGO	1+*	8hrs	
Estimated Resource Requirements	LBGO	1+*	116 hrs.	20wks**

Notes: **May require addition field resource for document review.*

***Duration may be shortened when the #of documents in the scope are identified, and opportunities to combine actions are identified and included specific to the work to be accomplished.*

PHASE III

Distribution Integrity Management Plan (DIMP)

TASK 1

Following the Kick-off meeting and approval of the Project Schedule and Plan, the EEIntl DIMP SME (technical lead) will contact the LBGO DIMP lead and schedule a meeting to:

- To obtain copies of existing DIMP documents to be reviewed and to perform a GAP Analysis with regard to the requirements of 49 CFR 192.
- Schedule and perform an audit of records and local practices, including interviews of key supervisors and/or personnel.
- Complete a GAP Analysis to identify strengths and weaknesses of LBGO DIMP Plan.
- Prepare a written report detailing the findings of the GAP analysis and recommendation to improve current documents and practices, and identify new standards, documents and practices that are needed to comply with 49 CFR 192.
- Provide written findings to LBGO for review and comment, schedule on site with LBGO to review and begin Task 2.

TASK 2

The DIMP SME (technical lead) will schedule a meeting review the findings of the GAP analysis the LBGO Phase II lead and team. The Goals of the meeting include, but are not limited to:

- Understanding of the findings and recommendations.
 - Verification of the findings.
 - Identify and make modifications/corrections as may be required.
- Approval of the recommendations.
 - Establish priority of actions (documents and procedures) to be taken.
 - Verify the review and approval process to be followed.
 - Identify any additional reviews or technical contacts.
 - Verify methodology to exchange comments and record document changes and decisions.
 - Agree upon review cycle, time allotted to review and approve documents and procedures.
- Confirm status report schedule, requirements, and protocols to approve status reports and respond to, resolve status issues.
- Identify agree upon which documents are to be developed as standards, operating documents, or procedures for their update LBGO DIMP Plan.

Documents will be drafted by the EEIntl SME, reviewed and approved by the LBGO designate and forward to the EEIntl Technical writer for formatting, inclusion of hyperlinks and cross references to LBGO standards, operating documents and work procedures, as well as applicable sections of 49 CFR 192.

Completed document will be electronically sent to LBGO to review, comment, and approval. Required or recommend changes will be discussed, documented, and approved prior to initiating changes to draft documents. Upon approval by LBGO, documents will be processed for signature and incorporation into training materials, manuals, operating processes.

TASK 3

Documents required to update the DIMP Plan will be identified and incorporated into the work performed in Tasks 1 & 2. The process for creating the updated O&M Manual will be on going and included as a coordinated overall plan to update and create documents, procedures and training materials for DIMP Plan. Specific to the creation of the DIMP Plan:

- The EEIntl SME and Technical Writer will directly with the LBGO team to determine which documents will be included in the DIMP Plan.
 - The EEIntl SME and Technical Writer will work with LGGO Team to incorporate comments and recommendations for organization and improvement that will improve the ease of use of the document by LBGO personnel.

TASK 4

The EEIntl SME and Technical Writer will take the incorporate the changes requested by DIMP Plan. The EEIntl Technical will prepare the final document package for delivery to LBGO as follows:

- An editable MS Word 2010.docx file.
- A PDF format document file.
- The Manual shall include:
 - Table of Contents
 - Cross-reference guide between plan content and the applicable 49 CFR 192 section(s)
 - Hyperlinks from the cross-reference guide code annotation to appropriate sections of the plan.

TASK 5

The EEIntl SME and Technical Writer develop training materials in conjunction with the LBGO Team specific to the needs and requirements of each document and procedure and practice developed. Based upon the specific requirements and agreement between the consultant and the LBGO Team the training documents may include, but be limited to the following:

- Summary of the changes made to the document or work procedure.
- Summary of the new document or work procedure requirements and tasks.
- Simplified single sheet work procedure document.

EEIntl will present a training session to introduce the new standards, documents and procedures to LBGO Employees. Training documents and the training itinerary will be prepare and presented to the LBGO team for review, comment and approval prior to presentation. The presentation will include visual aids, documents, and job aids.

**ESTIMATED RESOURCE TIME, REQUIREMENTS, & SCHEDULE DURATION –
PHASE III**

CONTRACTOR PHASE III

Activity	No. Resources	Task Hours	Duration
TASK 1	1	100hrs	2wks
TASK 2	2	400hrs*	10wks
TASK 3	2	72hrs	3wks
TASK 4	2	40hrs	2wks
TASK 5	2	50hrs	2wks
Estimated Resource Requirements	2	662hrs*	19wks**

Notes: **Assume: (1) Meeting time, plus 10 hrs review per drafted document (assume 20 documents), (2) 10hrs/document for EEIntl SME and 20hrs/document for EEIntl Technical Writer. The assumed number of 20 documents will be corrected and a firm estimate provided after project kick-off when the scope is firmly defined.*

***Duration may be shortened when the #of documents in the scope are identified, and opportunities to combine actions are identified and included specific to the work to be accomplished.*

LBGO PHASE III

Activity	No. Resources	Task Hours	Duration
TASK 1	1	32 hrs	
TASK 2	1+*	24hrs**	
TASK 3	1+*	20hrs	
TASK 4	1+*	16hrs	
TASK 5	1+*	8hrs	
Estimated Resource Requirements	1+*	100 hrs.	19wks***

Notes: **May require addition field resource for document review.*

***Assume: (1) Meeting time, plus 1hrs review per drafted document (assume 20 documents), (2) 40hrs/document for EEIntl SME and 20hrs/document for EEIntl Technical Writer. The assumed number of 30 documents will be corrected and a firm estimate provided after project kick-off when the scope is firmly defined.*

****Duration may be shortened when the #of documents in the scope are identified, and opportunities to combine actions are identified and included specific to the work to be accomplished.*

PHASE IV

Emergency Operations Plan

TASK 1

Following the Kick-off meeting and approval of the Project Schedule and Plan, the EEIntl Emergency Operations SME (technical lead) will contact the LBGO Emergency Operations Plan lead and schedule a meeting to:

- To obtain copies of existing Emergency Operations Plan documents to be reviewed and to perform a GAP Analysis with regard to the requirements of 49 CFR 192.
- To obtain copies of existing Emergency Operations Plan documents to be reviewed and to perform a GAP Analysis with regard to the requirements of City of Long Beach Disaster Preparation and Hazard Mitigation Plan. If the LBGO Emergency Operations Plan Lead is unable to provide a copy of the City's Plan, the EEIntl Lead will obtain a copy of the plan directly from the City.
- Schedule and perform an audit of records and local practices, including interviews of key Emergency Operations supervisors and/or personnel.
- Complete a GAP Analysis to identify strengths and weaknesses of LBGO Emergency Operations Plan.
- Prepare a written report detailing the findings of the GAP analysis and recommendation to improve current documents and practices, and identify new standards, documents and practices that are needed to comply with 49 CFR 192 and the City's Disaster Preparation and Hazard Mitigation Plan..
- Provide written findings to LBGO for review and comment, schedule on site with LBGO to review and begin Task 2.

TASK 2

The Emergency Operations Plan (technical lead) will schedule a meeting review the findings of the GAP analysis the LBGO Phase II lead and team. The Goals of the meeting include, but are not limited to:

- Understanding of the findings and recommendations.
 - Verification of the findings.
 - Identify and make modifications/corrections as may be required.
- Approval of the recommendations.
 - Establish priority of actions (documents and procedures) to be taken.
 - Verify the review and approval process to be followed.
 - Identify any additional reviews or technical contacts.
 - Verify methodology to exchange comments and record document changes and decisions.
 - Agree upon review cycle, time allotted to review and approve documents and procedures.
- Confirm status report schedule, requirements, and protocols to approve status reports and respond to, resolve status issues.
- Identify agree upon which documents are to be developed as standards, operating documents, or procedures for their update LBGO Emergency Operations Plan.

Documents will be drafted by the EEIntl SME, reviewed and approved by the LBGO designate and forward to the EEIntl Technical writer for formatting, inclusion of hyperlinks and cross

references to LBGO standards, operating documents and work procedures, as well as applicable sections of 49 CFR 192 and the City's Disaster Preparation and Hazard Mitigation Plan.

Completed document will be electronically sent to LBGO to review, comment, and approval. Required or recommend changes will be discussed, documented, and approved prior to initiating changes to draft documents. Upon approval by LBGO, documents will be processed for signature and incorporation into training materials, manuals, operating processes.

TASK 3

Documents required to update the Emergency Operations Plan will be identified and incorporated into the work performed in Tasks 1 & 2. The process for creating the updated Emergency Operations Plan will be on going and included as a coordinated overall plan to update and create documents, procedures and training materials. Specific to the creation of the Emergency Operations Plan:

- The EEIntl SME and Technical Writer will directly with the LBGO team to determine which documents will be included in the Emergency Operations Plan.
 - The EEIntl SME and Technical Writer will work with LGGO Team to incorporate comments and recommendations for organization and improvement that will improve the ease of use of the document by LBGO personnel.

TASK 4

The EEIntl SME and Technical Writer will take the incorporate the changes requested by Emergency Operations Plan. The EEIntl Technical will prepare the final document package for delivery to LBGO as follows:

- An editable MS Word 2010.docx file.
- A PDF format document file.
- The Manual shall include:
 - Table of Contents
 - Cross-reference guide between plan content and the applicable 49 CFR 192 section(s)
 - Hyperlinks from the cross-reference guide code annotation to appropriate sections of the plan.

TASK 5

The EEIntl SME and Technical Writer develop training materials in conjunction with the LBGO Team specific to the needs and requirements of each document and procedure and practice developed. Based upon the specific requirements and agreement between the consultant and the LBGO Team the training documents may include, but be limited to the following:

- Summary of the changes made to the document or work procedure.
- Summary of the new document or work procedure requirements and tasks.
- Simplified single sheet work procedure document.

EEIntl will present a training session to introduce the new standards, documents and procedures to LBGO Employees. Training documents and the training itinerary will be prepare and presented to the LBGO team for review, comment and approval prior to presentation. The presentation will include visual aids, documents, and job aids.

**ESTIMATED RESOURCE TIME, REQUIREMENTS, & SCHEDULE DURATION –
PHASE IV**

CONTRACTOR PHASE IV

Activity	No. Resources	Task Hours	Duration
TASK 1	1	40hrs	1wks
TASK 2	2	112hrs*	3wks
TASK 3	2	72hrs	2wks
TASK 4	2	40hrs	2wks
TASK 5	2	50hrs	2wks
Estimated Resource Requirements	2	314hrs*	10wks**

Notes: **Assume: (1) Meeting time, plus 4 hrs review per drafted document (assume 8 documents for EEIntl SME and 10hrs/document for EEIntl Technical Writer. The assumed number of 8 documents will be corrected and a firm estimate provided after project kick-off when the scope is firmly defined.*

***Duration may be shortened when the #of documents in the scope are identified, and opportunities to combine actions are identified and included specific to the work to be accomplished.*

LBGO PHASE IV

Activity	No. Resources	Task Hours	Duration
TASK 1	1	16 hrs	
TASK 2	1+*	12hrs	
TASK 3	1+*	16hrs	
TASK 4	1+*	16hrs	
TASK 5	1+*	8hrs	
Estimated Resource Requirements	1+*	68hrs	10wks**

Notes: **May require addition field resource for document review.*

***Duration may be shortened when the #of documents in the scope are identified, and opportunities to combine actions are identified and included specific to the work to be accomplished.*

PHASE V

Damage Prevention and Public Awareness Plans

TASK 1

Following the Kick-off meeting and approval of the Project Schedule and Plan, the EEIntl Damage Prevention and Public Awareness SME (technical lead) will contact the LBGO Damage Prevention and Public Awareness Plans lead and schedule a meeting to:

- To obtain copies of existing Damage Prevention and Public Awareness Plan documents to be reviewed and to perform a GAP Analysis with regard to the requirements of 49 CFR 192.
- Schedule and perform an audit of records and local practices, including interviews of key Damage Prevention and Public Awareness Plan supervisors and/or personnel.
- Complete a GAP Analysis to identify strengths and weaknesses of LBGO Damage Prevention and Public Awareness Plan.
- Prepare a written report detailing the findings of the GAP analysis and recommendation to improve current documents and practices, and identify new standards, documents and practices that are needed to comply with 49 CFR 192. Provide written findings to LBGO for review and comment, schedule on site with LBGO to review and begin Task 2.

TASK 2

The Damage Prevention and Public Awareness SME (technical lead) will schedule a meeting review the findings of the GAP analysis the LBGO Phase V lead and team. The Goals of the meeting include, but are not limited to:

- Understanding of the findings and recommendations.
 - Verification of the findings.
 - Identify and make modifications/corrections as may be required.
- Approval of the recommendations.
 - Establish priority of actions (documents and procedures) to be taken.
 - Verify the review and approval process to be followed.
 - Identify any additional reviews or technical contacts.
 - Verify methodology to exchange comments and record document changes and decisions.
 - Agree upon review cycle, time allotted to review and approve documents and procedures.
- Confirm status report schedule, requirements, and protocols to approve status reports and respond to, resolve status issues.
- Identify agree upon which documents are to be developed as standards, operating documents, or procedures for their update LBGO Damage Prevention and Public Awareness Plan.

Documents will be drafted by the EEIntl SME, reviewed and approved by the LBGO designate and forward to the EEIntl Technical writer for formatting, inclusion of hyperlinks and cross references to LBGO standards, operating documents and work procedures, as well as applicable sections of 49 CFR 192.

Completed documents will be electronically sent to LBGO to review, comment, and approval. Required or recommend changes will be discussed, documented, and approved prior to initiating

changes to draft documents. Upon approval by LBGO, documents will be processed for signature and incorporation into training materials, manuals, operating processes.

TASK 3

Documents required to update the Damage Prevention and Public Awareness Plan will be identified and incorporated into the work performed in Tasks 1 & 2. The process for creating the updated Damage Prevention and Public Awareness Plan will be on going and included as a coordinated overall plan to update and create documents, procedures and training materials. Specific to the creation of the Emergency Operations Plan:

- The EEIntl SME and Technical Writer will directly with the LBGO team to determine which documents will be included in the Emergency Operations Plan.
 - The EEIntl SME and Technical Writer will work with LGGO Team to incorporate comments and recommendations for organization and improvement that will improve the ease of use of the document by LBGO personnel.

TASK 4

The EEIntl SME and Technical Writer will take the incorporate the changes requested by Damage Prevention and Public Awareness Plan. The EEIntl Technical will prepare the final document package for delivery to LBGO as follows:

- An editable MS Word 2010.docx file.
- A PDF format document file.
- The Manual shall include:
 - Table of Contents
 - Cross-reference guide between plan content and the applicable 49 CFR 192 section(s)
 - Hyperlinks from the cross-reference guide code annotation to appropriate sections of the plan.

TASK 5

The EEIntl SME and Technical Writer develop training materials in conjunction with the LBGO Team specific to the needs and requirements of each document and procedure and practice developed. Based upon the specific requirements and agreement between the consultant and the LBGO Team the training documents may include, but be limited to the following:

- Summary of the changes made to the document or work procedure.
- Summary of the new document or work procedure requirements and tasks.
- Simplified single sheet work procedure document.

EEIntl will present a training session to introduce the new standards, documents and procedures to LBGO Employees. Training documents and the training itinerary will be prepare and presented to the LBGO team for review, comment and approval prior to presentation. The presentation will include visual aids, documents, and job aids.

**ESTIMATED RESOURCE TIME, REQUIREMENTS, & SCHEDULE DURATION –
PHASE V**

CONTRACTOR PHASE V

Activity	No. Resources	Task Hours	Duration
TASK 1	1	40hrs	1wks
TASK 2	2	112hrs*	3wks
TASK 3	2	72hrs	2wks
TASK 4	2	40hrs	2wks
TASK 5	2	50hrs	2wks
Estimated Resource Requirements	2	314hrs*	10wks**

Notes: **Assume: (1) Meeting time, plus 4 hrs review per drafted document (assume 8 documents for EEIntl SME and 10hrs/document for EEIntl Technical Writer. The assumed number of 8 documents will be corrected and a firm estimate provided after project kick-off when the scope is firmly defined.*

***Duration may be shortened when the #of documents in the scope are identified, and opportunities to combine actions are identified and included specific to the work to be accomplished.*

LBGO PHASE V

Activity	No. Resources	Task Hours	Duration
TASK 1	1	16 hrs	
TASK 2	1+*	12hrs	
TASK 3	1+*	16hrs	
TASK 4	1+*	16hrs	
TASK 5	1+*	8hrs	
Estimated Resource Requirements	1+*	68hrs	10wks**

Notes: **May require addition field resource for document review.*

***Duration may be shortened when the #of documents in the scope are identified, and opportunities to combine actions are identified and included specific to the work to be accomplished.*

PHASE VI

Operator Qualification Plans

TASK 1

Following the completion and approval of the updated Operations and Maintenance Plans, the EEIntl Operator Qualification (OQ) SME (technical lead) will contact the LBGO OQ Plans lead and schedule a meeting to:

- To obtain copies of existing OQ Plan documents to be reviewed and compared to the OQ requirements for employees to be qualified to perform covered tasks identified in the updated Operations and Maintenance Plans, and to perform a GAP Analysis with regard to the requirements of 49 CFR 192.
- The EEIntl OQ lead will also review the newly created updated documents associated with this project, and perform a GAP analysis to assure that LBGO is compliant with all applicable OQ requirements and changes that have been implemented through this project.
- Schedule and perform an audit of records and local practices, including interviews of key operating supervisors and/or personnel.
- Complete a GAP Analysis to identify strengths and weaknesses of LBGO OQ Plan.
- Prepare a written report detailing the findings of the GAP analysis and recommendation to improve current documents and practices, and identify new standards, documents and practices that are needed to comply with 49 CFR 192. Provide written findings to LBGO for review and comment, schedule on site with LBGO to review and begin Task 2.

TASK 2

The OQ SME (technical lead) will schedule a meeting to review the findings of the GAP analysis with the LBGO Phase VI lead and team. The Goals of the meeting include, but are not limited to:

- Understanding of the findings and recommendations.
 - Verification of the findings.
 - Identify and make modifications/corrections to findings as may be required.
- Approval of the recommendations.
- Confirm status report schedule, requirements, and protocols to approve status reports and respond to, resolve status issues.
- Identify and agree upon which documents are to be developed as standards, operating documents, or procedures for their update OQ Plan.

Documents will be drafted by the EEIntl SME, reviewed and approved by the LBGO designate and forward to the EEIntl Technical writer for formatting, inclusion of hyperlinks and cross references to LBGO standards, operating documents and work procedures, as well as applicable sections of 49 CFR 192.

Completed documents will be electronically sent to LBGO to review, comment, and approval. Required or recommended changes will be discussed, documented, and approved prior to initiating changes to draft documents. Upon approval by LBGO, documents will be processed for signature and incorporation into training materials, manuals, operating processes.

TASK 3

Documents required to update the OQ Plan will be identified and incorporated into the work performed in Tasks 1 & 2. The process for creating OQ Plan will be on going and included as a coordinated overall plan to update and create documents, procedures and training materials. Specific to the creation of the Emergency Operations Plan:

- The EEIntl SME and Technical Writer will directly with the LBGO team to determine which documents will be included in the OQ Plan.
 - The EEIntl SME and Technical Writer will work with LGGO Team to incorporate comments and recommendations for organization and improvement that will improve the ease of use of the document by LBGO personnel.
- The EEIntl SME and Technical Writer will take the incorporate the changes requested by OQ Plan. The EEIntl Technical will prepare the final document package for delivery to LBGO as follows:
 - An editable MS Word 2010.docx file.
 - A PDF format document file.
 - The Manual shall include:
 - Table of Contents
 - Cross-reference guide between plan content and the applicable 49 CFR 192 section(s)
 - Hyperlinks from the cross-reference guide code annotation to appropriate sections of the plan.

TASK 4

The EEIntl SME and Technical Writer develop training materials in conjunction with the LBGO Team specific to the needs and requirements of each document and procedure and practice developed. Based upon the specific requirements and agreement between the consultant and the LBGO Team the training documents may include, but be limited to the following:

- Summary of the changes made to the document or work procedure.
- Summary of the new document or work procedure requirements and tasks.
- Simplified single sheet work procedure document.

EEIntl will present a training session to introduce the new standards, documents and procedures to LBGO Employees. Training documents and the training itinerary will be prepare and presented to the LBGO team for review, comment and approval prior to presentation. The presentation will include visual aids, documents, and job aids.

**ESTIMATED RESOURCE TIME, REQUIREMENTS, & SCHEDULE DURATION –
PHASE VI**

CONTRACTOR PHASE VI

Activity	No. Resources	Task Hours	Duration
TASK 1	1	16hrs	1wks
TASK 2	2	240hrs*	6wks
TASK 3	2	250hrs	6wks
TASK 4	2	30hrs	1wks
Estimated Resource Requirements	2	520hrs*	14wks**

Notes: **Assume: (1) Meeting time, plus 8hrs review per drafted document (assume 30 documents for EEIntl SME and 8hrs/document for EEIntl Technical Writer. The assumed number of 30 documents will be corrected and a firm estimate provided after project kick-off when the scope is firmly defined.*

***Duration may be shortened when the #of documents in the scope are identified, and opportunities to combine actions are identified and included specific to the work to be accomplished.*

LBGO PHASE VI

Activity	No. Resources	Task Hours	Duration
TASK 1	1	8 hrs	
TASK 2	1+*	40hrs	
TASK 3	1+*	10hrs	
TASK 4	1+*	10hrs	
Estimated Resource Requirements	1+*	60 hrs.	14wks**

Notes: **May require addition field resource for document review.*

***Duration may be shortened when the #of documents in the scope are identified, and opportunities to combine actions are identified and included specific to the work to be accomplished.*

PHASE VII

Deliverables

Following the completion of each Phase, the EEIntl Project Manager will schedule a Phase Close-Out meeting with the LBGO Project Manager and review the results of the work completed. The EEIntl Project Manager will compile the LBGO Project Manager's comments and make any necessary changes to the documents prior to final delivery.

The EEIntl Project Manager will prepare the final document package for delivery to LBGO as follows:

- An editable MS Word 2010.docx file.
- A PDF format document file.
- The Manual shall include:
 - Table of Contents
 - Cross-reference guide between plan content and the applicable 49 CFR 192 section(s)
 - Hyperlinks from the cross-reference guide code annotation to appropriate sections of the plan.

ESTIMATED RESOURCE REQUIREMENT SUMMARY

CONTRACTOR

Activity	No. Resources	Task Hours	Duration
PHASE I	Up to 3	64hrs	4 wks
PHASE II	2	790hrs	20wks
PHASE III	2	662hrs	19wks
PHASE IV	2	314hrs	10wks
PHASE V	2	314hrs	10wks
PHASE VI	2	520hrs	14wks
Estimated Resource Requirements	UP TO 6	2,664hrs	77wks*

Notes: **The total duration shown in the Summary represents time estimates on assumed quantities of documents. This number will be updated and a more accurate estimate prepared following the PHASE I Kick-Off Meeting when the project scope is firmly defined. In addition, the total duration is prepared assuming that the project is done in series. Following PHASE I Kick-Off Meeting, based on firm scope numbers and agreed upon schedule priorities, the schedule duration will be more realistically developed, including reductions in duration that maybe accomplished by performing significant portions of PHASES II through VI in parallel.*

LBGO

Activity	No. Resources	Task Hours	Duration
PHASE I	Up to 3	48 hrs.	
PHASE II	1	116 hrs.	
PHASE III	1	100 hrs.	
PHASE IV	2	68hrs	
PHASE V	1	68hrs.	
PHASE VI	1	60 hrs.	
Estimated Resource Requirements	UP TO 5	460 hrs.	77wks*

Notes: **The total duration shown in the Summary represents time estimates on assumed quantities of documents. This number will be updated and a more accurate estimate prepared following the PHASE I Kick-Off Meeting when the project scope is firmly defined. In addition, the total duration is prepared assuming that the project is done in series. Following PHASE I Kick-Off Meeting, based on firm scope numbers and agreed upon schedule priorities, the schedule duration will be more realistically developed, including reductions in duration that can be accomplished by performing portions of PHASES II through VI in parallel.*

SCHEDULE

This estimate is based on the a project start date of November 1, 2014 and a planned completion date October 31, 2016.

COST PROPOSAL

RATE TABLE

Classification	Straight Time	Time and a Half**	Double Time***
Principle Engineer*/Project Manager	\$180.00/hr.	\$270.00/hr.	\$360.00/hr.
Senior Engineer/Senior Consultant	\$155.00/hr	\$232.50/hr	\$310.00/hr
Technical Writer/Consultant	\$130.00/hr	\$195.00/hr	\$260.00
Drafter	\$75.00/hr.	\$112.50/hr	\$150.00/hr
Clerical	\$50.00/hr	\$75.00/hr	\$100.00/hr

Notes: *There is an additional \$30.00/hr.charge for P.E. Stamping of Drawings and Documents.
 **Applied for work performed beyond 40 hrs/wk.
 ***Applied for pre-approved work beyond 12hrs/day.

COMPENSATION

The compensation requirement will be based on a time & material basis with a not-to-exceed amount of \$419,515.

PHASE I COMPENSATION

Project Kick-off

Tasks	Description of Work	Rate x Estimated hours	Totals
Task 1/Task 3*	Preparation	\$180/hr x 16 hours (Principle Eng./PM)	\$2,880.00
	Kick-Off Meeting	\$180/hr x 8 hours (Principle Eng./PM)	\$1440.00
		\$155/hr x 8 hours x 2 (Sr. Consultants)	\$2480.00
	Meeting Follow-Schedule/Agreement Documentation	\$180/hr x 16 hours (Principle Eng./PM)	\$2,880.00
		\$155/hr x 4 hours x 2 (Sr. Consultants)	\$1,240.00
Subtotal Phase I Labor			\$10,920.00
Phase I – All Tasks	Estimated Expenses	10% of Labor	\$1,092.00
	1 Trip – Travel Chicago to Long Beach	Estimated Airline + Expenses (2 days)	\$1,000.00
	2 Trips – Travel SF to/Long Beach	Estimated Airline + Expenses (2 days)	\$750.00
Total Phase I			\$13,762.00

Notes: **Included in Task 1 as described in narrative*

PHASE II COMPENSATION

Operations & Maintenance Manual

Tasks	Description of Work	Rate x Estimated hours	Totals
Phase II – All Tasks	Project Management	\$180/hr x 1/2 hr/wk x 20 wks (Principle Engineer/PM)	\$1,800.00
Task 1	GAP Analysis O&M Manual	\$155/hr x 100 hours (Sr. Consultant)	\$15,500.00
Task 2	Update Manual - Draft	\$155/hr x 240 hours (Sr. Consultant)	\$37,200.00
		\$130/hr x 300 hours (Tech Writer)	\$39,000.00
Task 3	Prepare O&M Manual	\$155/hr x 20 hours (Sr. Consultant)	\$3,100.00
		\$130/hr x 40 hours (Tech Writer)	\$5,200.00
Task 4	O&M Manual Changes & Corrections	\$155/hr x 10 hours (Sr. Consultant)	\$1,550
		\$130/hr x 30 hours (Tech Writer)	\$3,900.00
Task 5	Training Materials & Training	\$155/hr x 30 hours (Sr. Consultant)	\$4,650.00
		\$130/hr x 20 hours (Tech Writer)	\$2,600.00
Subtotal Phase II Labor			\$114,500.00
Phase II – All Tasks	Estimated Expenses	5% of Labor	\$5,725.00
	1 Trip – Travel Chicago to Long Beach	Estimated Airline + Expenses (2 days)	\$1,000.00
	2 Trips – Travel SF to Long Beach	Estimated Airline + Expenses (2 days)	\$750.00
Total Phase II			\$121,975.00

PHASE III COMPENSATION

Distribution Integrity (DIMP)

Tasks	Description of Work	Rate x Estimated hours	Totals
Phase III – All Tasks	Project Management	\$180/hr x 1/2 hr/wk x 20 wks (Principle Engineer/PM)	\$1,800.00
Task 1	GAP Analysis DIMP Plan	\$155/hr x 100 hours (Sr. Consultant)	\$15,500.00
Task 2	Update DIMP Plan	\$155/hr x 200 hours (Sr. Consultant)	\$31,000.00
		\$130/hr x 200 hours (Tech Writer)	\$26,000.00
Task 3	Prepare DIMP Plan	\$155/hr x 32 hours (Sr. Consultant)	\$4,960.00
		\$130/hr x 40 hours (Tech Writer)	\$5,200.00
Task 4	DIMP Plan Changes & Corrections	\$155/hr x 10 hours (Sr. Consultant)	\$1,550.00
		\$130/hr x 30 hours (Tech Writer)	\$3,900.00
Task 5	Training Materials & Training	\$155/hr x 30 hours (Sr. Consultant)	\$4,650.00
		\$130/hr x 20 hours (Tech Writer)	\$2,600.00
Subtotal Phase II Labor			\$97,160.00
Phase III – All Tasks	Estimated Expenses	5% of Labor	\$4,858.00
	1 Trip – Travel Chicago to Long Beach	Estimated Airline + Expenses (2 days)	\$1,000.00
	2 Trips – Travel SF to/Long Beach	Estimated Airline + Expenses (2 days)	\$750.00
Total Phase III			\$103,768.00

PHASE IV COMPENSATION

Emergency Operations Plan (EOP)

Tasks	Description of Work	Rate x Estimated hours	Totals
Phase IV – All Tasks	Project Management	\$180/hr x 1/2 hr/wk x 4wks (Principle Engineer/PM)	\$360.00
Task 1	GAP Analysis EOP Plan	\$155/hr x 40hours (Sr. Consultant)	\$6,200.00
Task 2	Update EOP Plan	\$155/hr x 32 hours (Sr. Consultant)	\$4,960.00
		\$130/hr x 80 hours (Tech Writer)	\$10,400.00
Task 3	Prepare EOP Plan	\$155/hr x 32 hours (Sr. Consultant)	\$4,960.00
		\$130/hr x 40 hours (Tech Writer)	\$5,200.00
Task 4	EOP Changes & Corrections	\$155/hr x 10 hours (Sr. Consultant)	\$1,550.00
		\$130/hr x 30 hours (Tech Writer)	\$3,900.00
Task 5	Training Materials & Training	\$155/hr x 30 hours (Sr. Consultant)	\$4,650.00
		\$130/hr x 20 hours (Tech Writer)	\$2,600.00
Subtotal Phase IV Labor			\$44,780.00
Phase IV – All Tasks	Estimated Expenses	5% of Labor	\$2,239.00
	1 Trip – Travel Chicago to Long Beach	Estimated Airline + Expenses (2 days)	\$1,000.00
	2 Trips – Travel SF to Long Beach	Estimated Airline + Expenses (2 days)	\$750.00
Total Phase IV			\$48,769.00

PHASE V COMPENSATION

Damage Prevention and Public Awareness Plan (DPPA)

Tasks	Description of Work	Rate x Estimated hours	Totals
Phase V – All Tasks	Project Management	\$180/hr x 1/2 hr/wk x 4wks (Principle Engineer/PM)	\$360.00
Task 1	GAP Analysis EOP Plan	\$155/hr x 40hours (Sr. Consultant)	\$6,200.00
Task 2	Update DPPA Plan	\$155/hr x 32 hours (Sr. Consultant)	\$4,960.00
		\$130/hr x 80 hours (Tech Writer)	\$10,400.00
Task 3	Prepare DPPA Plan	\$155/hr x 32 hours (Sr. Consultant)	\$4,960.00
		\$130/hr x 40 hours (Tech Writer)	\$5,200.00
Task 4	DPPA Changes & Corrections	\$155/hr x 10 hours (Sr. Consultant)	\$1,550.00
		\$130/hr x 30 hours (Tech Writer)	\$3,900.00
Task 5	Training Materials & Training	\$155/hr x 30 hours (Sr. Consultant)	\$4,650.00
		\$130/hr x 20 hours (Tech Writer)	\$2,600.00
Subtotal Phase V Labor			\$44,780.00
Phase V – All Tasks	Estimated Expenses	5% of Labor	\$2,239.00
	2 Trips – Travel SF to Long Beach	Estimated Airline + Expenses (2 days)	\$750.00
Total Phase V			\$47,769.00

PHASE VI COMPENSATION

Operator Qualification Plans (OQ)

Tasks	Description of Work	Rate x Estimated hours	Totals
Phase VI – All Tasks	Project Management	\$180/hr x 1/2 hr/wk x 14wks (Principle Engineer/PM)	\$1260.00
Task 1	Gather Current OQ Plan	\$155/hr x 16hours (Sr. Consultant)	\$2,480.00
Task 2	GAP Analysis OQ Plan	\$155/hr x 240 hours (Sr. Consultant)	\$37,200.00
Task 3	Prepare DPPA Plan	\$155/hr x 10 hours (Sr. Consultant)	\$1,550.00
		\$130/hr x 240 hours (Tech Writer)	\$31,200.00
Task 4	Training Materials & Training	\$155/hr x 10 hours (Sr. Consultant)	\$1,550.00
		\$130/hr x 20 hours (Tech Writer)	\$2,600.00
Subtotal Phase VI Labor			\$77,840.00
Phase VI – All Tasks	Estimated Expenses	5% of Labor	\$3,892.00
	1 Trip – Travel Chicago to Long Beach	Estimated Airline + Expenses (2 days)	\$1,000.00
	2 Trips – Travel SF to Long Beach	Estimated Airline + Expenses (2 days)	\$750.00
Total Phase VI			\$82,482.00

GRAND TOTAL: \$419,525.00

PROJECT EXPERIENCE AND CAPABILITIES

The following projects presented here in summary form are provided as indicative examples of the kind of work capabilities and expertise that Energy Experts International has provided to major clients. EEIntl has worked with various clients, including government notable agencies such as the DOT on matters relating to natural gas compliance issues.

GAS DISTRIBUTION COMPLIANCE PROJECTS

PACIFIC GAS & ELECTRIC COMPANY, SAN FRANCISCO, CALIFORNIA DISTRIBUTION INTEGRITY MANAGEMENT PROGRAM (DIMP), TECHNICAL SUPPORT 2011 TO PRESENT

CONTACT: MR. GENE MUSE
TELEPHONE: (925) 788-6390

EEIntl is providing technical and leadership support to the review, coordination, and validation of DIMP programs. Technical support includes, but is not limited to:

- Develop DIMP program standards, requirements, and risk assesment models.
- Scope information system needs.
- Monitor and compare existing programs (i.e. Gas Pipeline Replacement, Leak Management, etc.) with results.
- Document DIMP programs, descisions, and results.
- Work directly with Gas Transmission and Gas Distribution Engineers, Transmission and regulation Supersvisors, and Transmission ans Distribution Supervisors to assess effectiveness and compliance of DIMP program.
- Support DIMP Training with gas construction and gas operations organizations

EEIntl has provided a team of technical experts including a Sr. Engineer/SME, technical writer, and trainer.

PACIFIC GAS & ELECTRIC COMPANY, SAN FRANCISCO, CALIFORNIA TECHNICAL SUPPORT –GAS STANDARDS AND POLICIES 2012 TO PRESENT

CONTACT: MR. JOE PENNINGTON
TELEPHONE: (916) 408-330

EEIntl is providing program coordination and technical support to the Gas Standards & Policy Department by providing program coordination and technical support to bring all of the PG&E gas transmission and distribution guidance documents up to date. The scope of this project encompassed approximately 1,500 technical documents. Technical support includes, but is not limited to overall program coordination, review and revise documents, creat new documents (including standards, procedures, training documents, job aids, manuals, and material speciofications)and cross referencing them to related internal PG&E documents and the appropriate regulatory documents.

EEIntl has provided a project manager, project coordinators, and subject matter experts in support of this on-going project.

PACIFIC GAS & ELECTRIC COMPANY, SAN FRANCISCO, CALIFORNIA
DEVELOP AND UPDATE GAS ESTIMATOR DESIGN MANUAL
2009 TO PRESENT

CONTACT: MR. BRIAN LEARY
TELEPHONE: (415) 271-8103

EEIntl is providing technical support to the Gas Transmission and Distribution Engineering Department to develop a Gas Engineering Design Manual, and to develop Customized Design Team component. The project requires compliance with the latest technical writing requirements, including cross referencing company documents, Federal, State and Local regulatory requirements by hyper-link, and the development of specialized training tools. EEIntl has provided a Sr, Engineer/SME and technical writer to support this on-going project.

PACIFIC GAS & ELECTRIC COMPANY, SAN FRANCISCO, CALIFORNIA
MAOP VERIFICATION & PIPELINE FEATURES LISTS
2010 TO PRESENT

CONTACT: MR. LUANO NOMELLINI
TELEPHONE: (925) 244-3232

EEIntl is providing technical support to the Gas Transmission Engineering Department to validate all pipeline and station facilities data and records. EEIntl has verified over thousands of records to date involving PG&E's Station and Pipeline records. The work initially was prioritized to deal with the High Consequence Areas (HCA) involving Class 3 and 4 locations. The second phase of the project was to create a pipeline features data base to catalog all components of the pipeline system. The current phase is the revalidation of field records (as-builts) and the validation of the documentation.

GAS TRANSMISSION COMPLIANCE PROJECTS

SOUTHERN CALIFORNIA GAS COMPANY, LOS ANGELES, CALIFORNIA
PIPELINE INTEGRITY MANAGEMENT DATA RESEARCH
2011 TO PRESENT

CONTACT: MS. MARIA MARTINEZ
TELEPHONE: (213)244-5232

EEIntl is providing technical support to the Pipeline Integrity Engineering Group by assisting and providing technical expertise in the validation of records and data for its gas transmission system. The work continues to be a top priority for SCGC (Southern California Gas Company). To date, over 100 pipelines have been investigated to validate critical pipeline data. Investigation and corroboration of vintage data, as well as as-built records have been undertaken.

SOUTHERN CALIFORNIA GAS COMPANY, LOS ANGELES, CALIFORNIA
OPERATOR QUALIFICATION PROCEDURES AND COMPLIANCE
2012 TO PRESENT

CONTACT: MR. ANTHONY MEDINA
TELEPHONE: (562) 806-4313

EEIntl is currently providing pipeline inspection personnel to support the various Pipeline Integrity Engineering projects being constructed. As a requirement for providing qualified inspection and field personnel, EEIntl has been qualified to administer the various testing and compliance requirements to its personnel. EEIntl is currently testing and maintaining the

qualifications records in compliance with SCGS's internal and Federal requirements as per 49 CFR . EEIntl works with Veriforce to certify the inspectors.

PROJECTS REQUIRING EXTENSIVE NATURAL GAS TECHNICAL EXPERTISE

JAPAN GAS ASSOCIATION, TOKYO, JAPAN REGULATORY AND TECHNICAL ASSESSMENTS OF INTERNATIONAL NATURAL GAS MAINTENANCE PRACTICES 2005

EEIntl researched and catalogued best maintenance practices of natural gas companies world-wide involving over 10 countries. The project also involved the research and investigation of the various regulatory requirements and compliance statutes of each country. Best practices and comparative performance measures were compiled and evaluated over a one year period. A final report was prepared outlining the areas that could benefit the Japanese gas industry.

OFFICE OF PIPELINE SAFETY, DEPARTMENT OF TRANSPORTATION REVIEW AND COMMENTARY ON PENDING REGULATIONS 2006 TO PRESENT

EEIntl has been retained by Oak Ridge National Laboratory (ORNL) to assist the Office of Pipeline Safety (OPS), Pipeline Hazardous Materials Safety Administration. EEIntl has provided reviews and commentary on pending natural gas and hazardous liquid (petroleum) pipeline regulations, as well as on design, operations and maintenance issues. EEIntl has worked directly with OPS staff personnel to provide these services.

GAZ DE FRANCE, PARIS, FRANCE WORKFORCE MANAGEMENT SOLUTIONS 2008 TO PRESENT

EEIntl was requested to conduct an international research effort for obtaining the best practices of natural gas companies related to the dispatching of crews utilizing Information Technology (IT) solutions for emergency response and routine work. U.S., Australia and Japan were targeted for the benchmarking research work. The project is now entering the second year of the benchmarking study.

RESUMES OF KEY PERSONNEL

Mark W. Heckman Vice President and General Manager, Operations
Major Account Representative

Carol A. Hynes Project Manager
Principle Engineer

MARK HECKMAN

VICE PRESIDENT & GENERAL MANAGER, OPERATIONS

Mr. Mark Heckman is the Vice President and General Manager of Operations. He has 41 years of gas, electric, environmental, and engineering management experience in the utility and energy industries. Mr. Heckman has extensive background in the design, construction, maintenance, operation, and management of natural gas transmission, distribution, gathering, and storage facilities. Mr. Heckman also managed the development and publication of engineering and technical documents, standards, manuals, and training materials for the PG&E. Throughout his career Mr. Heckman has also been active at the national level for both the natural gas and pipeline construction industries. He has published several magazine articles and technical papers, been an active member of AGA Technical Committees, directed technical workshops, and has been a member of the Board of Directors for the North American Society for Trenchless Technology.

Mr. Heckman earned a B.S. in Mechanical Engineering, with a minor in Production Management, from the University of Nevada, Reno. He has also completed the University of Chicago resident Management Development Course in Vail, Co., and studied Engineering Management at the University of Santa Clara.

ENERGY EXPERTS INTERNATIONAL

2008 – Present

Vice President & General Manager, Operations

- Responsible for Company's domestic business on the West Coast.
- Development of new markets and major client business development.
- Major Account Representative.
- Responsible for the recruitment of prospective talent and human resources requirement.

PACIFIC GAS & ELECTRIC COMPANY

1973 – 2008

Experience (Key Positions held at PG&E)

Manager, Gas Engineering, Planning, and Technical Document Management

- Staff, manage, direct, and lead PG&E's Gas Distribution Engineering, Planning, Quality Assurance and Compliance functions.
- Develop, implement, and manage engineering and operating policies and standards; new technology research and development programs; engineering designs; incident investigation and analysis; operating and construction practices; capacity planning, analysis and reviews; gas emergency planning, policies, and procedures.

Principal Program Manager, Gas Pipeline Replacement Program

- Manage, direct, and control PG&E's \$2.2 billion Pipeline Replacement Program (GPRP). Implemented new project management and construction practices increasing productivity and a reducing of the average cost/ft to replace pipelines and cost/service by up to 20%.
- Worked nationally and internationally to identify, acquire, and implement Trenchless Pipeline Construction and Rehabilitation Technologies at PG&E.
- Designed, managed, directed, and coordinated the development of an Integrated Gas Information System (IGIS) to provide dynamic gas distribution system condition monitoring, leak program management and database, risk assessment, and maintenance management.

Director, Compressor Station Engineering, Gas Engineering and Construction

- Manage, direct, and supervise up to 50 professional, bargaining unit, weekly and contract employees in the planning, analysis and engineering, design, drafting, project management, maintenance, construction and operation of PG&E's Natural Gas Transmission, Storage, and Gathering compressor stations, pipelines and facilities.

EDUCATION

- **BS Mechanical Engineering** (Minor: Aeronautical Engineering & Production Management)-University of Nevada, Reno
- **Management Development** (3 Week Residency Program)-University of Chicago, Vail, Co.

CAROL A. HYNES

PROJECT MANAGER-PRINCIPLE ENGINEER

Ms. Carol Hynes is a registered Professional Engineer with 35 years of progressive experience in the natural Transmission and Distribution Industries. Ms. Hynes has expertise in design, compliance, and project management for natural gas distribution and transmission pipelines, and aquifer storage systems. Ms. Hynes most recent experience has been the with management of Integrity Management for natural gas distribution and transmission systems.

ENERGY EXPERTS INTERNATIONAL **2014 – Present**
Principle Engineer, Pipeline Integrity Management

AGL RESOURCES **2012 – 2013**
Director, Storage and Transmission Integrity

- Responsible for the Transmission Integrity Management Program (TIMP).
- Managed programs to assure compliance with state and federal safety and operating regulations across 9 state jurisdictions.
- Planned, constructed, inspected, and managed the installation of natural gas facilities by company and contract personnel.
- Reviewed and approved threat assessments, risk rankings, assessment techniques and reports, remediation schedules, pipeline repairs, preventative and mitigative actions.

NICOR GAS **1978 – 2011**
Sr. Manager, Operations Programs

- Managed the company's Leak Survey, Corrosion Control and mercury gas regulator program.
- Developed company's Distribution Integrity Management Program (DIMP) and participated in a pilot audit with PHMSA..
- Participated in Regulatory Audits.

Project Manager

- Coordinated main and service replacement programs for the gas distribution system.
- Oversaw construction of gas pipelines by company personnel and contractors.

Manager Special Project, Engineering Department

- Managed design and construction of 44 miles of 30" and 36" transmission pipelines.
- Managed design of compression and storage field enhancements.

Senior Engineer, System Operations

- Supervised maintenance of metering and pressure regulating facilities
- Supervised company leak inspectors.
- Reviewed and approved engineering projects.

EDUCATION

- B.S. Civil Engineering, Valparaiso University, Valparaiso, Indiana
- MBA, IIT Stuart School of Business, Chicago Illinois

OTHER

- Licensed Professional Engineer in Illinois – License No. 062.041797
- Past Member AGA Corrosion Committee
- Member NACE

ENERGY EXPERTS INTERNATIONAL

Addendum to
City of Long Beach
Request For Proposals
Number G014-136

**Consultant Services to Upgrade LBGO Manuals and
Plans Required Under 49 CFR 192**

December 17, 2014

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PROJECT PROPOSAL

BACKGROUND

The City of Long Beach Gas and Oil Department (LBGO) has requested Energy Experts International (EEIntl) to submit an addendum to the proposal submitted in response to the City of Long Beach Request for Proposals Number GO14-136. The addendum proposes to provide Consultant Services to develop a long term strategic plan in conjunction with the upgrade of LBGO Manuals and Plans required under 49 CFR 192. The addendum proposes to provide consulting services, with specific expertise and experience with the U.S. Department of Transportation (DOT) Minimum Federal Pipeline Safety Standards, 49 CFR 192, Distribution Integrity Management Plans (DIMP), gas distribution system engineering and planning, maintenance, construction, and operations to develop a Long Term Strategic Plan for the LBGO Gas Backbone and Distribution Systems that is compliant with, and complimentary to the DIMP and Operating Plans that are being developed and implemented as a result of the Upgrade LBGO Manuals and Plans required under 49 CFR 192 project. The Long Term Strategic Plan will include, but not be limited to meeting the requirements established by the following documents and plans: Distribution Integrity Management (DIMP); Operations and Maintenance Manual (O&M); Operator Qualification (OQ); Damage Prevention, Public Awareness, and Emergency Operations. Included in the project will also be a review of the City of Long Beach development plans relative to LBGO's pipeline replacement, DIMP, Operations and Maintenance Manual Upgrades, and capital improvement plans.

As specified by Request For Proposals Number GO14-136, the proposal is being submitted in two (2) distinct parts:

- **Narrative/Technical Proposal**
- **Cost Proposal**

NARRATIVE/TECHNICAL PROPOSAL

DEVELOP LONG TERM STRATEGIC PLAN

TASK 1

Strategic Plan Kick-Off

The Strategic Plan goals, objectives, and process will be included as part of the Phase I Kick-Off Meeting Agenda.

TASK 2

Review Pipeline Material, Construction, Location, Leaks, Cathodic Protection, and Facilities Operating Records

Review pipeline material, construction (including strength test pressure reports and pipe condition reports), location, leaks, cathodic protection, and facilities operating records to identify, and categorize: operating, construction, and materials issues requiring attention under 49 CFR 192, the LBGO DIMP, and upgraded LBGO Manuals and Plans.

Present findings to the LBGO Team for review, comment and approval. Specific LBGO concerns and issues will be resolved prior to proceeding.

TASK 3

Risk/Priority Ranking for Items Requiring Action

The goal of this task is to develop an overall comparative ranking of line segments and facilities according to priority values using existing data and data gathered through the implementation of DIMP and upgraded LBGO Manuals and Plans to rank line segments and facilities according to replacement priority.

Input data into Risk Analysis Model and develop preliminary maintenance, upgrade, and replacement priority plan. Present findings to the LBGO Team for review, comment and approval. Specific LBGO concerns and issues will be resolved prior to proceeding.

TASK 4

Industry Practices Benchmarking Study

Perform a Benchmarking Study of similar municipally owned and operated gas utilities and investor owned utilities to compare staffing, maintenance, operations, expenditures levels with the LBGO.

Present findings and recommendations to the LBGO Team for review, comment and approval. Specific LBGO issues will be resolved prior to proceeding.

TASK 5

Develop and Evaluate Costs, Alternatives, and Long Term Plan

Develop cost estimates and alternatives for work proposed to be included in the LBGO Long Term Strategic Plan. The costs shall include planning, engineering, permitting, materials, and construction costs. Additional consideration shall also be given to the social costs and impact upon the public of the work to be performed.

Present findings to the LBGO Team for review, comment and approval. Specific LBGO concerns and issues will be resolved prior to proceeding.

TASK 6

Publish Strategic Plan

Prepare final plan, including projects to be considered for implementation in short, intermediate, and long range planning. The plan shall include alternatives considered, economic impacts, material, resource, and social impacts.

Prepare and present draft to the LBGO Team for review, comment and approval.

ESTIMATED RESOURCE TIME REQUIREMENTS & SCHEDULE DURATION

CONTRACTOR

Activity	Task	No. Resources*	Task Hours	Duration
TASK 1	Kick-Off*	Up to 3**		
TASK 2	Review Operating Records	3	182 hours	6 weeks
TASK 3	Risk/Priority Ranking	2	48 hours	4 weeks
TASK 4	Industry Practices Benchmarking	2	84 hours	4 weeks
TASK 5	Costs and Alternatives	2	272 hours	8 weeks
TASK 6	Publish Strategic Plan	2	114 hours	3 weeks
Estimated Resource Requirements		Up to 3**	700 hours	25 weeks ***

* Included and perform with project Phase I Kick-Off Meeting.

** Includes Project Manager and up to 2 Subject Matter Experts (SME).

*** Total Duration is 25 weeks when all tasks are completed in series, however, by scheduling tasks that can be performed in parallel to be done concurrently can reduce the duration to approximately 16 weeks.

LBGO

Activity	Task	No. Resources*	Task Hours	Duration
TASK 1	Kick-Off	Up to 3		
TASK 2	Review Operating Records	2	12 hours	6 weeks
TASK 3	Risk/Priority Ranking	2	8 hours	4 weeks
TASK 4	Industry Practices Benchmarking	2	16 hours	4 weeks
TASK 5	Costs and Alternatives	2	32 hours	8 weeks
TASK 6	Capital Improvements	2	24 hours	3 weeks
Estimated Resource Requirements		Up to 3**	92 hours	25 weeks **

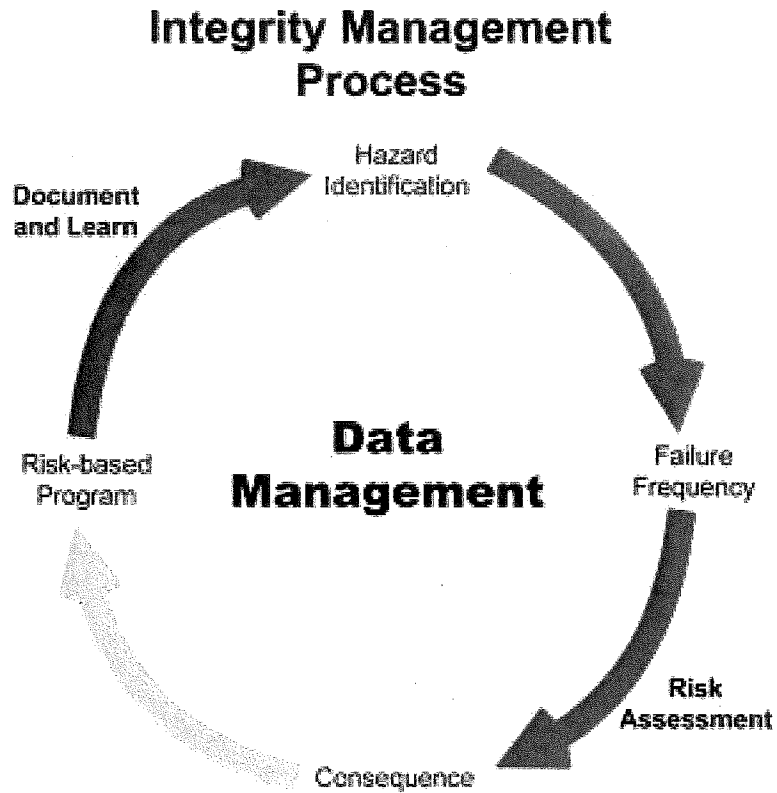
* Assumes 1 Supervisor or technical lead for each phase. The estimate may be reduced if Phases are combined under a single supervisor/technical lead. Additionally, this would also reduce the total number of hours required for LBGO in each task. The EEIntl Project Manager will coordinate closely with the LBGO Project Manager to minimize the number of LBGO resources required.

** Total Duration is 25 weeks when all tasks are completed in series, however, by scheduling tasks that can be performed in parallel to be done concurrently can reduce the duration to approximately 16 weeks.

THE COMPLIANCE PROJECT

“LBGO ON TRACK”

DIMP



CITY OF LONG BEACH



EXHIBIT “B”

Rates or Charges

COST PROPOSAL

RATE TABLE

Classification	Hourly Rates		
	Straight Time	Overtime	Double-Time
Principle Engineer/Project Manager	\$180.00	\$270.00	\$360.00
Senior Engineer/Senior Consultant	\$155.00	\$232.50	\$310.00
Technical Writer/Consultant	\$130.00	\$195.00	\$260.00
Drafter	\$75.00	\$112.50	\$150.00
Clerical	\$50.00	\$75.00	\$100.00
STAMPING (Principle Engineer)	\$210.00	\$300.00	\$390.00

NOTES: There is an additional \$30.00/hr. charge for P.E. Stamping of Drawings and Documents.
Overtime will be applied for work performed beyond 8 hrs/day. (SUBJECT TO CLIENT'S PRE-APPROVAL).
Double-Time will be applicable for work performed beyond 12hrs/day (SUBJECT TO CLIENT'S PRE-APPROVAL).

COMPENSATION

The compensation requirement will be based on a time & material basis with a not-to-exceed amount of \$123,001. The cost breakdown is listed as follows, per task:

TASK 1

Project Kick-Off

TOTAL FOR TASK 1	Included in Phase I Kick-Off	\$0.00
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TASK 2

Review Operating Records

PROJECT MANAGEMENT

Project Manager	(1 Personnel for 12 hours)	\$2,160.00
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REVIEW RECORDS & PREPARE RECOMMENDATIONS

Senior Consultant	(1 Personnel for 160 hours)	\$24,800.00
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CHANGES & CORRECTIONS

Senior Consultant	(1 Personnel for 10 hours)	\$1,550.00
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EXPENSES

General	(5% of Labor)	\$1,425.00
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Airfare & Travel	(1 Trip from San Francisco to Long Beach)	\$375.00
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TOTAL FOR TASK 2		\$30,310.00
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TASK 3

Risk/Priority Ranking for Items Requiring Action

PROJECT MANAGEMENT

Project Manager	(1 Personnel for 12 hours)	\$2,160.00
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PERFORM RISK ASSESSMENT AND RANKING

Senior Consultant	(1 Personnel for 40 hours)	\$6,200.00
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EXPENSES

General	(5% of Labor)	\$418.00
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TOTAL FOR TASK 3		\$8,778.00
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TASK 4

Industry Practices and Benchmarking

PROJECT MANAGEMENT

Project Manager	(1 Personnel for 4 hours)	\$720.00
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PERFORM BENCHMARKING STUDY

Senior Consultant	(1 Personnel for 80 hours)	\$12,400.00
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EXPENSES

General	(5% of Labor)	\$656.00
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TOTAL FOR TASK 4		\$13,776.00
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TASK 5

Develop and Evaluate Costs, Alternatives, and Long Term Plan

<u>PROJECT MANAGEMENT</u>		
Project Manager	(1 Personnel for 32 hours)	\$5,760.00
<u>DEVELOP & EVALUATE COSTS, ALTERNATIVES AND LONG TERM PLANS</u>		
Principle Engineer	(1 Personnel for 200 hours)	\$36,000.00
<u>CHANGES & CORRECTIONS</u>		
Principle Engineer	(1 Personnel for 40 hours)	\$7,200.00
<u>EXPENSES</u>		
General	(5% of Labor)	\$2,448.00
TOTAL FOR TASK 5		\$51,408.00

TASK 6

Publish Strategic Plan

<u>PROJECT MANAGEMENT</u>		
Project Manager	(1 Personnel for 6 hours)	\$1,080.00
<u>PREPARE DRAFT PLAN</u>		
Principle Engineer	(1 Personnel for 60 hours)	\$10,800.00
<u>CHANGES & CORRECTIONS</u>		
Principle Engineer	(1 Personnel for 8 hours)	\$1,440.00
<u>PREPARE FINAL COPY FOR PUBLICATION</u>		
Technical Writer	(1 Personnel for 32 hours)	\$4,160.00
<u>EXPENSES</u>		
General	(5% of Labor)	\$874.00
Airfare & Travel	(1 Trips from San Francisco to Long Beach)	\$375.00
TOTAL FOR TASK 6		\$18,729.00

TOTAL FOR TASKS 1 – 6 **\$123,001.00**

EXHIBIT “C”

City’s Representative:

Phillip Carroll, Principal Construction Inspector

(562) 570-2085

EXHIBIT “D”

Materials/Information Furnished: None



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/02/2014

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 HILL INSURANCE SERVICES 14350 N 87th Street S# 110 Scottsdale, AZ 85260 Mitchell D Hill	CONTACT NAME:		
	PHONE (A/C, No, Ext):	480-368-5222	FAX (A/C, No): 480-368-1862
INSURED Energy Experts International Mike Watanabe 555 Twin Dolphin Dr, Ste 150 Redwood City, CA 94065	E-MAIL ADDRESS:		
	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A:	Hartford Fire Ins Co	19682
	INSURER B:	Hartford Casualty Ins Co	
	INSURER C:	Landmark American Ins Co	
	INSURER D:		
	INSURER E:		
	INSURER F:		

COVERAGES CERTIFICATE NUMBER: 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	X		59UUNVX3096	08/01/2014	08/01/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:							
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			59UUNVX3096	08/01/2014	08/01/2015	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 type="checkbox"/> EXCESS LIAB DED <input checked="" type="checkbox"/> RETENTION \$ 10000			59RHUAT5972	08/01/2014	08/01/2015	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	59WEDS1982	08/01/2014	08/01/2015	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.I. EACH ACCIDENT \$ 1,000,000 E.I. DISEASE - EA EMPLOYEE \$ 1,000,000 E.I. DISEASE - POLICY LIMIT \$ 1,000,000
C	Prof Liability			LHR823606	04/13/2014	04/13/2015	Aggregate 2,000,000 Per Claim 1,000,000

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

CITY OF LONG BEACH, ITS OFFICIALS, EMPLOYEES AND AGENTS ARE NAMED AS ADDITIONAL INSURED WITH RESPECTS TO THE GENERAL LIABILITY AS REQUIRED BY NWRITTEN CONTRACT.

APPROVED AS TO SUFFICIENCY
Michael Alon
 CITY OF LONG BEACH
 DATE: 12/10/14

CERTIFICATE HOLDER	CANCELLATION
CITYO10 CITY OF LONG BEACH GAS & OIL DEPARTMENT ALLIE FAAS 2044 EAST SPRING STREET LONG BEACH, CA 90806	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>Michael A Hill</i>

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - DESIGNATED
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)

THE CITY OF LONG BEACH,
ITS OFFICIALS, EMPLOYEES
AND AGENTS

APPROVED AS TO SUFFICIENCY
Michael Oles
RISK MANAGER
CITY OF LONG BEACH
DATE: 12/10/14

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", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- A. In the performance of your ongoing operations; or
- B. In connection with your premises owned by or rented to you.

APPROVED AS TO FORM
1-29 2015
CHARLES PARKIN, City Attorney
By *[Signature]*
RICHARD ANTHONY
DEPUTY CITY ATTORNEY



COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the stock insurance company member of The Hartford providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

- (2) The "bodily injury" or "property damage" occurs during the policy period; and

- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

d. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

e. Incidental Medical Malpractice

- (1) "Bodily injury" arising out of the rendering of or failure to render professional health care services as a physician, dentist, nurse, emergency medical technician or paramedic shall be deemed to be caused by an "occurrence", but only if:

- (a) The physician, dentist, nurse, emergency medical technician or paramedic is employed by you to provide such services; and
- (b) You are not engaged in the business or occupation of providing such services.

- (2) For the purpose of determining the limits of insurance for incidental medical malpractice, any act or omission together with all related acts or omissions in the furnishing of these services to any one person will be considered one "occurrence".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible;
 - (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
 - (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".
- However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment"; or
- (6) An aircraft that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors

working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3) and (4) of this exclusion do not apply to "property damage" arising from the use of elevators.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs (3) and (4) of this exclusion do not apply to "property damage" to borrowed equipment while not being used to perform operations at the job site.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Employment-Related Practices

"Bodily injury" to:

- (1) A person arising out of any "employment-related practices"; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any "employment-related practices" are directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

r. Asbestos

- (1) "Bodily injury" or "property damage" arising out of the "asbestos hazard".
- (2) Any damages, judgments, settlements, loss, costs or expenses that:
 - (a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or

kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";

- (b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or
- (c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

Damage To Premises Rented To You – Exception For Damage By Fire, Lightning Or Explosion

Exclusions c. through h. and j. through n. do not apply to damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" arising out of an offense committed by, at the direction or with the consent or acquiescence of the insured with the expectation of inflicting "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral, written or electronic publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral, written or electronic publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's "advertising idea" in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services.

i. Infringement Of Intellectual Property Rights

"Personal and advertising injury" arising out of any violation of any intellectual property rights such as copyright, patent, trademark, trade name, trade secret, service mark or other designation of origin or authenticity.

However, this exclusion does not apply to infringement, in your "advertisement", of:

- (1) Copyright;

- (2) Slogan, unless the slogan is also a trademark, trade name, service mark or other designation of origin or authenticity; or

- (3) Title of any literary or artistic work.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 17.a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, placing an "advertisement" for or linking to others on your web site, by itself, is not considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Internet Advertisements And Content Of Others

"Personal and advertising injury" arising out of:

- (1) An "advertisement" for others on your web site;
- (2) Placing a link to a web site of others on your web site;
- (3) Content, including information, sounds, text, graphics, or images from a web site of others displayed within a frame or border on your web site; or
- (4) Computer code, software or programming used to enable:
 - (a) Your web site; or
 - (b) The presentation or functionality of an "advertisement" or other content on your web site.

q. Right Of Privacy Created By Statute

"Personal and advertising injury" arising out of the violation of a person's right of privacy created by any state or federal act.

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such state or federal act.

r. Violation Of Anti-Trust law

"Personal and advertising injury" arising out of a violation of any anti-trust law.

s. Securities

"Personal and advertising injury" arising out of the fluctuation in price or value of any stocks, bonds or other securities.

t. Discrimination Or Humiliation

"Personal and advertising injury" arising out of discrimination or humiliation committed by or at the direction of any "executive officer", director, stockholder, partner or member of the insured.

u. Employment-Related Practices

"Personal and advertising injury" to:

- (1) A person arising out of any "employment-related practices"; or

- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any "employment-related practices" are directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

v. Asbestos

- (1) "Personal and advertising injury" arising out of the "asbestos hazard".
- (2) Any damages, judgments, settlements, loss, costs or expenses that:
 - (a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";
 - (b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or
 - (c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;provided that:
 - (1) The accident takes place in the "coverage territory" and during the policy period;
 - (2) The expenses are incurred and reported to us within three years of the date of the accident; and
 - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

- 1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$1,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

- e. All costs taxed against the insured in the "suit".
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee,

necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

a. Employees and Volunteer workers

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or that "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

If you are not in the business of providing professional health care services, Paragraph (d) does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will

have all your rights and duties under this Coverage Part.

e. Unnamed Subsidiary

Any subsidiary, and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of the Coverage Part.

The insurance afforded herein for any subsidiary not named in this Coverage Part as a named insured does not apply to injury or damage with respect to which an insured under this Coverage Part is also an insured under another policy or would be an insured under such policy but for its termination or the exhaustion of its limits of insurance.

3. Newly Acquired or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. 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. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

4. Mobile Equipment

With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

6. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The following person(s) or organization(s) are an additional insured when you have agreed, in a written contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement.

A person or organization is an additional insured under this provision only for that period of time required by the contract or agreement.

However, no such person or organization is an insured under this provision if such person or organization is included as an insured by an endorsement issued by us and made a part of this Coverage Part.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- (1) The insurance afforded the vendor is subject to the following additional exclusions:

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

- (b) Any express warranty unauthorized by you;
 - (c) Any physical or chemical change in the product made intentionally by the vendor;
 - (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
 - (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
 - (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (i) The exceptions contained in Sub-paragraphs (d) or (f); or
 - (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
- (2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors of Equipment

- (1) Any person or organization from whom you lease equipment; but only with respect to their 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 or organization.
- (2) 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.

c. Lessors of Land or Premises

Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.

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

This insurance does not apply to:

- 1. Any "occurrence" which takes place after you cease to lease that land; or
- 2. Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers or Surveyors

Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- (1) In connection with your premises; or
- (2) In the performance of your ongoing operations performed by you or on your behalf.

With respect to the insurance afforded these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:

- 1. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- 2. Supervisory, inspection, architectural or engineering activities.

e. Permits Issued By State Or Political Subdivisions

Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

With respect to the insurance afforded these additional insureds, this insurance does not apply to:

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
- (2) "Bodily injury" or "property damage" included in the "products-completed operations hazard".

APPROVED AS WITHIN THE
 1-29-15
 CHARLES PARKIN, City Attorney
 By _____
 RICHARD ANTHONY
 DEPUTY CITY ATTORNEY

f. Any Other Party

Any other person or organization who is not an insured under Paragraphs a. through e. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- (1) In the performance of your ongoing operations;
- (2) In connection with your premises owned by or rented to you; or
- (3) In connection with "your work" and included within the "products-completed operations hazard", but only if
 - (a) The written contract or agreement requires you to provide such coverage to such additional insured; and
 - (b) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

- (1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- (2) Supervisory, inspection, architectural or engineering activities.

The limits of insurance that apply to additional insureds under this provision is described in Section III – Limits Of Insurance.

How this insurance applies when other insurance is available to the additional insured is described in the Other Insurance Condition in Section IV – Commercial General Liability Conditions.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Most We will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or

- c. Persons or organizations making claims or bringing "suits".

2. General Aggregate Limit

The General Aggregate Limit is the most we will pay for the sum of:

- a. Medical expenses under Coverage C;
- b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- c. Damages under Coverage B.

3. Products-Completed Operations Aggregate Limit

The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Personal and Advertising Injury Limit

Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Each Occurrence Limit

Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

- a. Damages under Coverage A; and
- b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Damage To Premises Rented To You Limit

Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

7. Medical Expense Limit

Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

8. How Limits Apply To Additional Insureds

If you have agreed in a written contract or written agreement that another person or organization be

added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

- a. The limits of insurance specified in the written contract or written agreement; or
- b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You or any additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;

- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. Obligations At The Insureds Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insureds Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs a. and b. apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

- (1) You or any additional insured that is an individual;
- (2) Any partner, if you or an additional insured is a partnership;
- (3) Any manager, if you or an additional insured is a limited liability company;
- (4) Any "executive officer" or insurance manager, if you or an additional insured is a corporation;
- (5) Any trustee, if you or an additional insured is a trust; or
- (6) Any elected or appointed official, if you or an additional insured is a political subdivision or public entity.

This duty applies separately to you and any additional insured.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or

that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b.** below applies. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I – Coverage A – Bodily Injury And Property Damage Liability;

(5) Property Damage to Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion j. of Section I - Coverage **A** - Bodily Injury And Property Damage Liability;

(6) When You Are Added As An Additional Insured To Other Insurance

Any other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

Any other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this coverage part.

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract or written agreement that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement, or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs **(a)** and **(b)** do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

a. When You Accept This Policy

By accepting this policy, you agree:

- (1) The statements in the Declarations are accurate and complete;
- (2) Those statements are based upon representations you made to us; and
- (3) We have issued this policy in reliance upon your representations.

b. Unintentional Failure To Disclose Hazards

If unintentionally you should fail to disclose all hazards relating to the conduct of your business that exist at the inception date of this Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the

insured will bring "suit" or transfer those rights to us and help us enforce them.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

- a. (1) Radio;
- (2) Television;
- (3) Billboard;
- (4) Magazine;
- (5) Newspaper; or

b. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

- a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or
- b. An interactive conversation between or among persons through a computer network.

2. "Advertising idea" means any idea for an "advertisement".

3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

4. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

5. "Bodily injury" means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means:
- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above;
 - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory or in a settlement we agree to.

- 7. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- 8. "Employment-Related Practices" means:
 - a. Refusal to employ a person;
 - b. Termination of a person's employment; or
 - c. Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at a person.
- 9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
- 10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
- 11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
 if such property can be restored to use by:
 - a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
 - b. Your fulfilling the terms of the contract or agreement.
- 12. "Insured contract" means:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while

rented to you or temporarily occupied by you with permission of the owner is subject to the Damage to Premises Rented To You Limit described in Section III – Limits of Insurance;

- b. A sidetrack agreement;
 - c. Any easement or license agreement, including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- Paragraph f. includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.
- However, Paragraph f. does not include that part of any contract or agreement:
- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (1) above and supervisory, inspection, architectural or engineering activities.
- 13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
 - 14. "Loading or unloading" means the handling of property:
 - a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

- b. While it is in or on an aircraft, watercraft or "auto"; or
 - c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered; but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
 - f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

 - (1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
 - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral, written or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral, written or electronic publication of material that violates a person's right of privacy;
 - f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement";
 - g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement"; or
 - h. Discrimination or humiliation that results in injury to the feelings or reputation of a natural person.
18. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
19. "Products-completed operations hazard":
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.
- Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

20. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

As used in this definition, computerized or electronically stored data, programs or software are not tangible property. Electronic data means information, facts or programs:

- a. Stored as or on;
- b. Created or used on; or
- c. Transmitted to or from;

computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

21. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

23. "Volunteer worker" means a person who

- a. Is not your "employee";
- b. Donates his or her work;
- c. Acts at the direction of and within the scope of duties determined by you; and
- d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

24. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

25. "Your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
- (2) The providing of or failure to provide warnings or instructions.