

FIRM AGREEMENT

THIS AGREEMENT, entered into this _____ day of _____, 2015, by and between CITY OF ALAMEDA, a municipal corporation (hereinafter referred to as "City"), and **SUBTRONIC CORPORATION** a California corporation, whose address is **5031 Blum Road, Suite 2, Martinez, CA 94553**, (hereinafter referred to as the "Firm"), in reference to the following:

RECITALS:

A. City is a municipal corporation duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California and the Charter of the City.

B. The City is in need of storm drain video and inspection services. The City issued a Request to Proposals in October 2014 and advertised the project in the trade journals, City's website, and reached out to the qualified firms in the City's bidder's list. After a bidding period of 21 days four proposals were received. City staff reviewed the proposals and selected the firm that was responsive and whose experience and qualifications most closely suits the needs of the City.

C. Firm possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein.

D. City and Firm desire to enter into an agreement for Storm Drain Mains Video Inspection and Cleaning, Phase 1, No. P.W. 02-14-09, upon the terms and conditions herein.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

1. TERM:

The term of this Agreement shall commence on the 4th day of February 2015, and shall terminate on the 31st day of December 2015, unless terminated earlier as set forth herein.

This contract may be mutually amended on a year-by-year basis, for up to four (4) additional years, at the sole discretion of the Public Works Director, based, at a minimum, upon satisfactory performance of all aspects of this contract. The Public Works Director may submit written notice that the contract is to be extended at the same terms and costs as the existing contract or the amendment(s) to this agreement shall be adjusted by the Construction Cost Index for the San Francisco Bay Area reported in the Engineering News Record for the trades associated with the work from the date of the original bid opening to the estimated date of the proposed amendment(s).

2. **SERVICES TO BE PERFORMED:**

Firm agrees to do all necessary work at its own cost and expense, to furnish all labor, tools, equipment, materials, except as otherwise specified, and to do all necessary work included in Exhibit A as requested. The Firm acknowledges that the work plan included in Exhibit A is tentative and does not commit the City to request Firm perform all tasks included therein.

3. **COMPENSATION TO FIRM:**

Firm shall be compensated for services performed pursuant to this Agreement in the amount and manner set forth in Firm's bid, which is attached hereto as Exhibit "A" and incorporated herein by this reference. Payment will be made in the same manner that claims of a like character are paid by the City, with checks drawn on the treasury of said City, to be taken from the CIP 91136 and 91204 funds.

Payment will be made by the City in the following manner: On the first day of each month, Firm shall submit a written estimate of the total amount of work done the previous month. However, the City reserves the right to adjust budget within and between tasks. Pricing and accounting of charges are to be according to the bid packet pricing, unless mutually agreed to in writing.

Payment shall be made for 95% of the value of the work completed as determined by the City. The City shall retain 5% of the value of the work as partial security for the completion of the work by Firm. Retained amounts shall be paid to Firm within 60 days of acceptance by the City of the project. Payment shall not be construed as acceptance of defective work. No interest will be paid to Firm on retained funds.

Compensation for bid is \$160,410.

Prompt Payment Of Withheld Funds To SubFirms: The City shall hold retainage from the prime Firm and shall make prompt and regular incremental acceptances of portions, as determined by the City of the contract work and pay retainage to the prime Firm based on these acceptances. The prime Firm or subFirm shall return all monies withheld in retention from all subFirms within 30 days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by the City. Any delay or postponement of payment may take place only for good cause and with the City's prior written approval. Any violation of these provisions shall subject the violating prime Firm to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise, available to the prime Firm or subFirm in the event of a dispute involving late payment, or nonpayment by the Firm, or deficient subFirm's performance, or noncompliance by a subFirm. This clause applies to both Disadvantaged Business Enterprise and non-Disadvantaged Business Enterprise subFirms.

4. **TIME IS OF THE ESSENCE:**

Firm and City agree that time is of the essence regarding the performance of this Agreement.

5. **STANDARD OF CARE:**

Firm agrees to perform all services hereunder in a manner commensurate with the prevailing standards of like professionals in the San Francisco Bay Area and agrees that all services shall be performed by qualified and experienced personnel who are not employed by the City nor have any contractual relationship with City.

6. **INDEPENDENT PARTIES:**

Firm hereby declares that it is engaged as an independent business and it agrees to perform its services as an independent Firm. The manner and means of conducting the work are under the control of Firm, except to the extent they are limited by statute, rule or regulation and the express terms of this Agreement. No civil service status or other right of employment will be acquired by virtue of Firm's services. None of the benefits provided by City to its employees, including but not limited to unemployment insurance, workers' compensation plans, vacation and sick leave are available from City to Firm, its employees or agents. Deductions shall not be made for any state or federal taxes, FICA payments, PERS payments, or other purposes normally associated with an employer-employee relationship from any fees due Firm. Payments of the above items, if required, are the responsibility of Firm.

7. **IMMIGRATION REFORM AND CONTROL ACT (IRCA):**

Firm assumes any and all responsibility for verifying the identity and employment authorization of all of its employees performing work hereunder, pursuant to all applicable IRCA or other federal, or state rules and regulations. Firm shall indemnify, defend, and hold City harmless from and against any loss, damage, liability, costs or expenses arising from any noncompliance of this provision by Firm.

8. **NON-DISCRIMINATION:**

Consistent with City's policy that harassment and discrimination are unacceptable employer/employee conduct, Firm agrees that harassment or discrimination directed toward a job applicant, a City employee, or a citizen by Firm or Firm's employee on the basis of race, religious creed, color, national origin, ancestry, handicap, disability, marital status, pregnancy, sex, age, or sexual orientation will not be tolerated. Firm agrees that any and all violations of this provision shall constitute a material breach of this Agreement.

9. **HOLD HARMLESS:**

Firm shall indemnify, defend, and hold harmless City, its City Council, boards, commissions, officials, and employees, and the Alameda West Lagoon Homeowners Association ("Indemnitees") from and against any and all loss, damages, liability, claims, suits, costs and expenses whatsoever, including reasonable attorneys' fees ("Claims"), arising from or in any manner connected to Firm's negligent act or omission, whether alleged or actual, regarding performance of services or work conducted or performed pursuant to this Agreement. If Claims are filed against Indemnitees which allege negligence on behalf of the Firm, Firm shall have no

right of reimbursement against Indemnitees for the costs of defense even if negligence is not found on the part of Firm. However, Firm shall not be obligated to indemnify Indemnitees from Claims arising from the sole or active negligence or willful misconduct of Indemnitees.

10. **INSURANCE:**

On or before the commencement of the terms of this Agreement, Firm shall furnish City with certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of insurance coverage in compliance with paragraphs 10A, B, C and D. Such certificates, which do not limit Firm's indemnification, shall also contain substantially the following statement: "Should any of the above insurance covered by this certificate be canceled or coverage reduced before the expiration date thereof, the insurer affording coverage shall provide thirty (30) days' advance written notice to the City of Alameda by certified mail, "Attention: Risk Manager." It is agreed that Firm shall maintain in force at all times during the performance of this Agreement all appropriate coverage of insurance required by this Agreement with an insurance company that is acceptable to City and licensed to do insurance business in the State of California. Endorsements naming the City as additional insured shall be submitted with the insurance certificates.

A. **COVERAGE:**

Firm shall maintain the following insurance coverage:

(1) **Workers' Compensation:**

Statutory coverage as required by the State of California.

(2) **Liability:**

Commercial general liability coverage in the following minimum limits:

Bodily Injury:	\$1,000,000 each occurrence
	\$2,000,000 aggregate - all other

Property Damage:	\$1,000,000 each occurrence
	\$2,000,000 aggregate

If submitted, combined single limit policy with aggregate limits in the amounts of \$2,000,000 will be considered equivalent to the required minimum limits shown above.

(3) **Automotive:**

Comprehensive automotive liability coverage in the following minimum limits:

Bodily Injury:	\$1,000,000 each occurrence
Property Damage:	\$1,000,000 each occurrence
	or
Combined Single Limit:	\$2,000,000 each occurrence

B. SUBROGATION WAIVER:

Firm agrees that in the event of loss due to any of the perils for which it has agreed to provide comprehensive general and automotive liability insurance, Firm shall look solely to its insurance for recovery. Firm hereby grants to City, on behalf of any insurer providing comprehensive general and automotive liability insurance to either Firm or City with respect to the services of Firm herein, a waiver of any right to subrogation which any such insurer of said Firm may acquire against City by virtue of the payment of any loss under such insurance.

C. FAILURE TO SECURE:

If Firm at any time during the term hereof should fail to secure or maintain the foregoing insurance, City shall be permitted to obtain such insurance in the Firm's name or as an agent of the Firm and shall be compensated by the Firm for the costs of the insurance premiums at the maximum rate permitted by law and computed from the date written notice is received that the premiums have not been paid.

D. ADDITIONAL INSURED:

City, its City Council, boards and commissions, officers, employees, and volunteers shall be named as an additional insured under all insurance coverages, except worker's compensation insurance. The naming of an additional insured shall not affect any recovery to which such additional insured would be entitled under this policy if not named as such additional insured. An additional insured named herein shall not be held liable for any premium, deductible portion of any loss, or expense of any nature on this policy or any extension thereof. Any other insurance held by an additional insured shall not be required to contribute anything toward any loss or expense covered by the insurance provided by this policy.

E. SUFFICIENCY OF INSURANCE:

The insurance limits required by City are not represented as being sufficient to protect Firm. Firm is advised to consult Firm's insurance broker to determine adequate coverage for Firm.

Firm shall furnish the following bonds from a bonding company acceptable to the City Attorney. Faithful Performance Bond and Labor and Material Bond are only required for work over \$25,000. Therefore, those estimates that are under \$25,000 will not need to budget for the bond premiums and those estimates over \$25,000 will need to be sure to budget for the bond premiums.

The insurance limits required by City are not represented as being sufficient to protect Firm. Firm is advised to consult Firm's insurance broker to determine adequate coverage for Firm.

11. BONDS:

Firm shall furnish the following bonds from a bonding company acceptable to the City Attorney:

A. **Faithful Performance:**

A bond in the amount of 100% of the total contract price guaranteeing the faithful performance of this contract, and

B. **Labor and Materials:**

A bond for labor and materials in the amount of 100% of the total contract price.

12. **PROHIBITION AGAINST TRANSFERS:**

Firm shall not assign, sublease, hypothecate, or transfer this Agreement, or any interest therein, directly or indirectly, by operation of law or otherwise, without prior written consent of City. Any attempt to do so without said consent shall be null and void, and any assignee, sublessee, hypothecate or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. However, claims for money by Firm from City under this Agreement may be assigned to a bank, trust company or other financial institution without prior written consent. Written notice of such assignment shall be promptly furnished to City by Firm.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Firm, or of the interest of any general partner or joint venturer or syndicate member or cotenant, if Firm is a partnership or joint venture or syndicate or cotenancy, which shall result in changing the control of Firm, shall be construed as an assignment of this Agreement. Control means fifty percent (50%) or more of the voting power of the corporation.

13. **SUBFIRM APPROVAL:**

Unless prior written consent from City is obtained, only those people and subFirms whose names are listed in Firm's bid shall be used in the performance of this Agreement.

Requests for additional subcontracting shall be submitted in writing, describing the scope of work to be subcontracted and the name of the proposed subFirm. Such request shall set forth the total price or hourly rates used in preparing estimated costs for the subFirm's services. Approval of the subFirm may, at the option of City, be issued in the form of a Work Order.

In the event that Firm employs subFirms, such subFirms shall be required to furnish proof of workers' compensation insurance and shall also be required to carry general and automobile liability insurance in reasonable conformity to the insurance carried by Firm. In addition, any work or services subcontracted hereunder shall be subject to each provision of this Agreement.

14. **PERMITS AND LICENSES:**

Firm, at its sole expense, shall obtain and maintain during the term of this Agreement, all appropriate permits, certificates and licenses, including a City Business License, that may be required in connection with the performance of services hereunder.

15. **REPORTS:**

Each and every report, draft, work product, map, record and other document reproduced, prepared or caused to be prepared by Firm pursuant to or in connection with this Agreement shall be the exclusive property of City.

No report, information nor other data given to or prepared or assembled by Firm pursuant to this Agreement shall be made available to any individual or organization by Firm without prior approval by City. Firm shall, at such time and in such form as City may require, furnish reports concerning the status of services required under this Agreement.

16. RECORDS:

Firm shall maintain complete and accurate records with respect to sales, costs, expenses, receipts and other such information required by City that relate to the performance of services under this Agreement.

Firm shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Firm shall provide free access to such books and records to the representatives of City or its designees at all proper times, and gives City the right to examine and audit same, and to make transcripts therefrom as necessary, and to allow inspection of all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be kept separate from other documents and records and shall be maintained for a period of three (3) years after receipt of final payment.

If supplemental examination or audit of the records is necessary due to concerns raised by City's preliminary examination or audit of records, and the City's supplemental examination or audit of the records discloses a failure to adhere to appropriate internal financial controls, or other breach of contract or failure to act in good faith, then Firm shall reimburse City for all reasonable costs and expenses associated with the supplemental examination or audit.

17. NOTICES:

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States Mail, postage prepaid, registered or certified, addressed as hereinafter provided.

All notices, demands, requests, or approvals from Firm to City shall be addressed to City at:

City of Alameda
Public Works Department
950 West Mall Square, Room 110
Alameda, CA 94501
Attention: Laurie Kozisek, Acting Senior Engineer
Ph: (510) 747-7940 / Fax: (510) 769-6030
Email: lkozisek@alamedaca.gov

All notices, demands, requests, or approvals from City to Firm shall be addressed to Firm at:

Subtronic Corporation
5031 Blum Road, Suite 2
Martinez, CA 94553
Attention: Mark Villarin, Project Manager
Ph: (925) 228-8771 / Fax: (925) 228-8737
Email: subtronic@subtronic.com

18. **LAWS TO BE OBSERVED.**

The Firm shall keep himself fully informed of all existing and future state and federal laws and all municipal ordinances and regulations of the City of Alameda which in any manner affect those engaged or employed in the work, or the materials used in the work, or which in any way affect the conduct of the work, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same.

19. **PREVAILING WAGES:**

a. The Firm is aware of the requirements of California Labor Code sections 1720 et seq. and 1770 et seq., as well as California Code of Regulations, Title 8, section 16000 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" projects. Since this Project involves a "public work" project, as defined by the Prevailing Wage Laws, Firm shall fully comply with such Prevailing Wage Laws. Firm's failure to comply with the Prevailing Wage Law may constitute a default under the contract for performance of the Work which would entitle the City to rescind the contract or exercise other remedies as provided by law or the contract.

b. The Firm shall obtain a copy of the prevailing rates of per diem wages at the commencement of this Contract from the website of the Division of Labor Statistics and Research of the Department of Industrial Relations located at www.dir.ca.gov/dlsr/. In the alternative, the Firm may view a copy of the prevailing rates of per diem wages at the City's Public Works Department, Building 1, 950 W. Mall Square, Room 110, Alameda. The Firm shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to perform work on the Project available to interested parties upon request, and shall post copies at the Firm's principal place of business and at the Project site. The Firm shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or allege failure to comply with the Prevailing Wage Laws and/or the City's Labor Compliance Program (hereinafter referred to as "LCP"), if any.

c. If this project is funded in whole or in part with Federal monies and subject to the provisions of the Davis-Bacon Act, the successful bidder shall pay not less than the wage rates determined by the Secretary of Labor. The Federal wage rates shall apply unless the State wage rates are higher. The Federal Wage Rates applicable to the contract are those current within ten (10) days of the bid due date.

d. The Firm and all subFirms shall pay and shall cause to be paid each worker engaged in work on the Project not less than the general prevailing rate of *per diem* wages

determined by the Director, regardless of any contractual relationship which may be alleged to exist between the Firm or any SubFirm and such workers.

e. The Firm and all subFirms shall pay and shall cause to be paid to each worker needed to execute the work on the Project travel and subsistence payments, as such travel and subsistence payments are defined in the applicable collective bargaining Contracts filed with the Department of Industrial Relations in accordance with Labor Code § 1773.8.

f. If during the period any bid for work on this Project remains open, the Director of Industrial Relations determines that there has been a change in any prevailing rate of *per diem* wages in the locality in which this public work is to be performed, such change shall not alter the wage rates in the Notice calling for Bids or the contract subsequently awarded.

g. Pursuant to Labor Code § 1775, the Firm shall as a penalty to the City, forfeit Fifty Dollars (\$50.00) for each calendar day, or portion thereof, for each worker paid less than the prevailing rate of *per diem* wages, determined by the Director, for such craft or classification in which such worker is employed for any public work done under the Contract by the Firm or by any SubFirm under it. The amount of the penalty shall be determined by the Labor Commission. In addition, the difference between such prevailing rate of *per diem* wage and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing rate of *per diem* wage shall be paid to each work by the Firm.

h. Any worker employed to perform work on the Project, which work is not covered by any craft or classification listed in the general prevailing rate of *per diem* wages determined by the Director, shall be paid not less than the minimum rate of wages specified therein for the craft or classification which most nearly corresponds to the work on the Project to be performed by them, and such minimum wage rate shall be retroactive to time of initial employment of such person in such craft or classification.

i. For those crafts or job classifications requiring special prevailing wage determinations, please contact the Division of Labor Statistics and Research, Prevailing Wage Unit, P.O. Box 420603, San Francisco, CA 94142-0603, (415) 703-4774 or check out the web site at www.dir.ca.gov.

20. HOURS OF LABOR.

a. As provided in Article 3 (commencing at § 1810), Chapter 1, Part 7, Division 2 of the Labor Code, eight (8) hours of labor shall constitute a legal day's work. The time of service of any worker employed at any time by the Firm or by any SubFirm on any subcontract under this Contract, upon the work or upon any part of the work contemplated by this Contract, is limited and restricted to eight (8) hours during any one calendar day and forty (40) hours during any one calendar week, except as hereinafter provided. Notwithstanding the provision hereinabove set forth, work performed by employees of Firm in excess of eight (8) hours per day and forty (40) hours during any one week shall be permitted upon this public work provided that the employees' compensation for all hours worked in excess of eight (8) hours per day at not less than one and one-half (1-1/2) times the basic rate of pay.

b. The Firm shall pay to the City a penalty of Twenty-five Dollars (\$25.00) for each worker employed in the execution of this Contract by the Firm, or by any SubFirm, for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any calendar day and forty (40) hours in any one (1) calendar week, in violation of the provisions of Article 3 (commencing at § 1810), Chapter 1, Part 7, Division 2 of the Labor Code,

unless compensation for the workers so employed by Firm is not less than one and one-half (1-1/2) times the basic rate of pay for all hours worked in excess of eight (8) hours per day.

c. Holiday and overtime work, when permitted by law, shall be paid for at a rate of at least one and one-half (1½) times the above specified rate of *per diem* wages, unless otherwise specified. Holidays shall be defined in the Collective Bargaining Contract applicable to each particular craft, classification, or type of worker employed.

21. CERTIFIED PAYROLL.

a. Firm's attention is directed to California Labor Code Section 1776, which requires Firm and any subFirms to keep an accurate payroll record and which imposes inspection requirements and penalties for non-compliance. Certified payrolls shall be prepared weekly, and at a minimum, submitted monthly to the Labor Compliance Officer, Gail Carlson, Public Works Department, 950 W. Mall Square, Room 110, Alameda, CA 94501 by the Firm and each subFirm. Firm is responsible for the submission of copies of payrolls by all subFirms. Each payroll submitted shall be accompanied by a "Statement of Compliance", signed by the Firm or subFirm or his/her agent who pays or supervises the payment of the persons employed under the contract, and shall certify the following:

b. That the payroll for each payroll period contains the name, social security number, and address of each employee, his or her correct classification, including applicable area and group code, hourly rates of wages paid, daily and weekly number of hours worked, deductions made and actual wages paid, and that such information is correct and complete;

c. That such laborer or mechanic (including each helper, apprentice and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions; and

d. That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

e. If the Firm or a subFirm does not work during the payroll period, a Statement of Non-Working Days must be submitted for each day not worked.

f. In the event of noncompliance with the requirements of such section after 10 Days written notice specifying in what respects compliance is required, the FIRM shall forfeit as a penalty to the CITY, \$25.00 for each calendar Day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, such penalties shall be withheld from progress payments then due.

22. APPRENTICES.

a. Attention is directed to the provisions in sections 1777.5 and 1777.6 of the Labor Code concerning the employment of apprentices by the Firm or any subFirm under him on contracts greater than \$30,000 or 20 working days. The Firm and any subFirm under him shall comply with the requirements of Sections 1777.5 and 1777.6 in the employment of apprentices.

b. Section 1777.5 requires the Firm or subFirm employing workers in any apprenticeable occupation to apply to the joint apprenticeship committee nearest the site of the public works project, and which administers the apprenticeship program in that trade, for a

certificate of approval, if they have not previously applied and are covered by the local apprenticeship standards.

c. The Firm is required to make contributions to funds established for the administration of apprenticeship programs if: (1) the Firm employs registered apprentices or journeymen in any apprenticeable trade on such contracts and if other Firms on the public works site are making such contributions; or (2) if the Firm is not a signatory to an apprenticeship fund and if the funds administrator is unable to accept Firm' required contribution. The Firm or subFirm shall pay a like amount to the California Apprenticeship Council.

d. Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Director of Industrial Relations, ex-officio the Administrator of Apprenticeship, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices.

23. **LABOR DISCRIMINATION.**

No discrimination shall be made in the employment of persons upon public works because of the race, color, sex, religion, age, national origin, sexual orientation, or physical disability of such persons and every Firm for public works violating this section is subject to all the penalties imposed for a violation of the provisions of the Labor Code, and, in particular, Section 1735.

24. **REGISTRATION OF FIRMS.**

Before submitting bids, Firms shall be licensed in accordance with the provisions of Chapter 9, Division 3, of the Business and Professional Code of the State of California.

25. **URBAN RUNOFF MANAGEMENT:**

The Firm shall avoid creating excess dust when breaking asphalt or concrete and during excavation and grading. If water is used for dust control, Firm shall use as little as necessary. Firm shall take all steps necessary to keep wash water out of the streets, gutters and storm drains.

The Firm shall develop and implement erosion and sediment control to prevent pollution of storm drains. Such control includes but is not limited to:

A. Use storm drain inlet protection devices such as sand bag barriers, filter fabric fences, block and gravel filters. (Block storm drain inlets prior to the start of the rainy season (October 15), in site de-watering activities and saw-cutting activities; shovel or vacuum saw-cut slurry and remove from the site).

B. Cover exposed piles of soil or construction material with plastic sheeting. All construction materials must be stored in containers.

C. Sweep and remove all materials from paved surfaces that drain to streets, gutters and storm drains prior to rain as well as at the end of the each work day. At the completion of the project, the street shall be washed and the wash water shall be collected and disposed of offsite in an appropriate location.

D. After breaking old pavement, Firm shall remove all debris to avoid contact with rainfall or runoff.

E. Firm shall maintain a clean work area by removing trash, litter, and debris at the end of each workday. Firm shall also clean up any leaks, drips, and other spills as they occur.

The objective is to ensure that the City and County of Alameda County-Wide Clean Water Program is adequately enforced. These controls should be implemented prior to the start of construction, up-graded as required, maintained during construction phases to provide adequate protection, and removed at the end of construction.

These recommendations are intended to be used in conjunction with the State's Best Management Practices Municipal and Construction Handbooks, local program guidance materials from municipalities, Section 7.1.01 of the Standard Specifications and any other appropriate documents on storm water quality controls for construction.

Failure to comply with this program will result in the issuance of noncompliance notices, citations, project stop orders or fines. The fine for noncompliance of the above program is two hundred and fifty dollars (\$250.00) per occurrence per day. The State under the Federal Clean Water Act can also impose a fine on the Firm, pursuant to Cal. Water Code §13385.

26. COMPLIANCE WITH MARSH CRUST ORDINANCE:

Firm shall perform all excavation work in compliance with the City's Marsh Crust Ordinance as set forth at Section 13-56 of the Municipal Code. Prior to performing any excavation work, Firm shall verify with the Building Official whether the excavation work is subject to the Marsh Crust Ordinance. Firm shall apply for and obtain permits from Building Services on projects deemed to be subject to the Marsh Crust Ordinance.

27. COMPLIANCE WITH THE CITY'S INTEGRATED PEST MANAGEMENT POLICY:

The Firm shall follow the requirements of the City's Integrated Pest Management (IPM) Policy to ensure the City is in compliance with its Municipal Regional Stormwater NPDES Permit, Order No. R2-2009-0074, issued by the San Francisco Bay Regional Water Quality Control Board.

The Firm shall follow the requirements of the City's Integrated Pest Management (IPM) Policy to ensure the City is in compliance with its Municipal Regional Stormwater NPDES Permit, Order No. R2-2009-0074, issued by the San Francisco Bay Regional Water Quality Control Board.

- ☐ Firm shall use the most current IPM technologies available to ensure the long-term prevention or suppression of pest problems and to minimize negative impacts on the environment, non-target organisms, and human health for the control or management of pests in and around City buildings and facilities, parks and golf courses, urban landscape areas, rights-of-way, and other City properties.

- ☐ Firm will consider the City IPM Policy's hierarchy of options or alternatives listed below, in the following order before recommending the use of or applying any pesticide on City property: (1)
 1. No controls (e.g. tolerating the pest infestation, use of resistant plant varieties or allowing normal life cycle of weeds);
 2. Physical or mechanical controls (e.g. hand labor, mowing, exclusion);
 3. Cultural controls (e.g. mulching, disking, alternative vegetation) and good housekeeping (e.g. cleaning desk area);
 4. Biological controls (e.g., natural enemies or predators); (5)
 5. Reduced-risk chemical controls (e.g., soaps or oils);
 6. Other chemical controls.
- ☐ Prior to applying chemical controls the Firm shall complete a checklist for the City's pre-approval that explains why a chemical control is necessary. For annual contracts that require regular application of chemical controls the Firm shall submit one checklist prior to the initiation of the project demonstrating that the hierarchy has been reviewed and no other options exist. (Attached as Exhibit C). Additionally, the Firm shall provide documentation to the City's project manager of the implementation of the IPM techniques hierarchy described in the City's IPM Policy.
- ☐ Firm shall avoid the use of the following pesticides that threaten water quality, human health and the environment:
 1. Acute Toxicity Category I chemicals as identified by the Environmental Protection Agency (EPA)
 2. Organophosphate pesticides (e.g., those containing Diazinon, chlorpyrifos or malathion)
 3. Pyrethroids (bifenthrin, cyfluthrin, beta-cyfluthrin, cypermethrin, deltamethrin, esfenvalerate, lambda-cyhalothrin, permethrin, and tralomethrin), carbamates (e.g., carbaryl), and fipronil
 4. Copper-based pesticides unless their use is judicious, other approaches and techniques have been considered, and the threat of impact to water quality is prevented.
- ☐ Firm shall sign the Firm Verification Form (attached as Exhibit B) indicating the intent to implement the City's IPM Policy, and return a signed copy to the City's project manager.
- ☐ Firm shall provide to the City's project manager an annual Report of all pesticide usage in support of City operations including pesticide name, active ingredient(s), target pest(s), the total amounts used and the reasons for any increase in use of any pesticide.
- ☐ Firm shall provide a copy of any current IPM certifications(s) to the City's project manager prior to initiation of the service work.

A copy of the City's IPM Policy may be obtained from the City's project manager and is also on file with the City Clerk. If this agreement pertains to the use of any items listed above, the Firm will need to fill out and send in the Firm Verification Form and Firm Check List.

28. PURCHASES OF MINED MATERIALS REQUIREMENT:

Firm shall ensure that all purchases of mined materials such as construction aggregate, sand and gravel, crushed stone, road base, fill materials, and any other mineral materials must originate from a surface mining operation identified on the AB3098 List per the Surface Mining and Reclamation Act of 1975 (SMARA).

Within five days of award of contract, Firm shall submit a report to City which lists the intended suppliers for the above materials and demonstrates that the suppliers are in compliance with the SMARA requirements. The AB3098 List is maintained by the Department of Conservation's Office of Mine Reclamation (OMR) and can be viewed at: www.conservation.ca.gov/OMR/ab_3098_list/index.htm. Note that the list changes periodically and should be reviewed accordingly.

29. TERMINATION:

In the event Firm fails or refuses to perform any of the provisions hereof at the time and in the manner required hereunder, Firm shall be deemed in default in the performance of this Agreement. If such default is not cured within a period of two (2) days after receipt by Firm from City of written notice of default, specifying the nature of such default and the steps necessary to cure such default, City may terminate the Agreement forthwith by giving to the Firm written notice thereof.

City shall have the option, at its sole discretion and without cause, of terminating this Agreement by giving seven (7) days' prior written notice to Firm as provided herein. Upon termination of this Agreement, each party shall pay to the other party that portion of compensation specified in this Agreement that is earned and unpaid prior to the effective date of termination.

30. COMPLIANCES:

Firm shall comply with all laws, state or federal and all ordinances, rules and regulations enacted or issued by City.

31. CONFLICT OF LAW:

This Agreement shall be interpreted under, and enforced by the laws of the State of California excepting any choice of law rules which may direct the application of laws of another jurisdiction. The Agreement and obligations of the parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction over this Agreement (or the successors of those authorities.) Any suits brought pursuant to this Agreement shall be filed with the courts of the County of Alameda, State of California.

32. ADVERTISEMENT:

Firm shall not post, exhibit, display or allow to be posted, exhibited, displayed any signs, advertising, show bills, lithographs, posters or cards of any kind pertaining to the services performed under this Agreement unless prior written approval has been secured from City to do otherwise.

33. **WAIVER:**

A waiver by City of any breach of any term, covenant, or condition contained herein, shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein, whether of the same or a different character.

34. **INTEGRATED CONTRACT:**

This Agreement represents the full and complete understanding of every kind or nature whatsoever between the parties hereto, and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions hereof. Any modification of this Agreement will be effective only by written execution signed by both City and Firm.

35. **INSERTED PROVISIONS:**

Each provision and clause required by law to be inserted into the Agreement shall be deemed to be enacted herein, and the Agreement shall be read and enforced as though each were included herein. If through mistake or otherwise, any such provision is not inserted or is not correctly inserted, the Agreement shall be amended to make such insertion on application by either party.

36. **CAPTIONS:**

The captions in this Agreement are for convenience only, are not a part of the Agreement and in no way affect, limit or amplify the terms or provisions of this Agreement.

IN WITNESS WHEREOF, the parties have caused the Agreement to be executed on the day and year first above written.


SUBTRONIC CORPORATION
A California Corporation



Jon Taylor
Chief Executive Officer


CITY OF ALAMEDA
A Municipal Corporation

John A. Russo
City Manager




Cheri Aubert
Secretary

RECOMMENDED FOR APPROVAL



Robert G. Haun
Public Works Director

APPROVED AS TO FORM:
City Attorney



Andrico Penick
Assistant City Attorney

EXHIBIT 'A'

SUBTRONIC CORPORATION WORK PLAN FOR STORM DRAIN VIDEO INSPECTION AND CLEANING, PHASE 1, NO. P.W. 02-14-09

WORK PLAN

Subtronic has extensive experience in the execution of storm pipe cleaning, CCTV condition assessment and NASSCO PACP/MACP inspection coding to CCTV observations, GPS data collection programs and data integration with a wide range of GIS and Computerized maintenance programs, additionally our firm has assisted hundreds of clients in achieving their storm system management plan requirements that are governed by the State of California and San Francisco Bay Regional Water Quality Control Board.

We understand the specific scope of work that will be required for this project, which will include providing a full range of services for traffic control, pipe cleaning, manhole and pipe CCTV inspection of storm pipes, ranging in pipe diameter size 12- to 60- inch, as well as the removal and disposal of the material extracted during cleaning operations from the storm lines.

Subtronic's proposed work plan to meet the requirements of this scope will include the following:

- **Mobilization:** During this phase, Subtronic's project manager will complete the planning phase of the project including:
 - Site Review
 - Determination of any Special Traffic Control Situation Requirements for the cleaning and inspection activities.
 - Development of a Work Sequencing Plan
 - Creation of Work Orders for the Cleaning and Inspection Field Crews
- **Pipe Cleaning:** Subtronic's field crews will begin the cleaning operations three days ahead of the CCTV inspection work in non-tidal influenced areas, where areas are tidally influenced we will plug downstream manholes/ outfalls prior to high tides to prevent further water accumulation in order to ensure a smooth flow of work and extended work times. Cleaning work will be in accordance with the City of Alameda's cleaning requirements and industry standards. We will initially use Hydro flush combination cleaner/vacuum trucks that are satisfactory to the City's Engineer. Additionally, if another equipment type is required to achieve the cleaning results in order to permit the video inspection of the storm pipes, it will meet or exceed the City's requirements as such stated in the scope of work. All field observation data will meet the NASSCO MACP/PACP coding system, scores will be calculated and exported in a MACP/PACP compliant database. Subtronic expects all cleaning activities to be completed in line with the City's schedule expectations.

- **CCTV Inspection:** Subtronic uses only NASSCO PACP/MACP/LACP and Confined Space- certified TV inspectors for CCTV operations. Our inspectors are not only certified, but have years of experience and have completed literally thousands of inspections on a wide variety of pipe sizes and types. For this project with the City of Alameda, Steerable Storm Drain Tractor, New RST wheeled and tracked transporters and High Resolution color video cameras with total zoom of 40:1 (10X optical and 4X digital) Integrated pan/tilt head with built-in ultra-bright, fully adjustable LED's with 360° rotate capability and a 270° panning capability CCTV truck system to complete the inspections. All data will be collected and coded in a NASSCO MACP/PACP database compatible with Granite XP Version 5.4.12. Subtronic expects the CCTV inspection activities to be completed in line with the City's schedule expectations.

Project Schedule

Subtronic understands the City's urgency for this project, as well as the need to ensure that no disruption of storm flow, and existing improvements will remain in their present location and condition during the cleaning and inspection process. Our proposed schedule for this project, with a start date defined as January 6, 2015. The schedule presented below identifies the core task that will be part of this project in response to the requirements of the RFP.

Subtronic Corporation – *Tentative Proposed Schedule

No	Task Name	Duration	Start	Finish
1	Notice to Proceed from City	21 Day	January 6, 2015	January 26, 2015
2	Mobilization	1 Days	January 26, 2015	January 26, 2015
3	Cleaning	73 Days	January 26, 2015	May 8, 2015
4	CCIV/Manhole Inspections	92 Days	January 29, 2015	June 5, 2015
5	QAQC/Final Deliverables	15 Days	June 8, 2015	June 26, 2015

*City's Comments: The actual start date will be in February 2015. The above Tentative Proposed Schedule may be modified to allow for cleaning and inspection during time periods when the lagoons are lowered.

EXHIBIT A

**RATE PROPSAL SJIEET
STORM DRAIN VIDEO INSPECTION and CLEANING,
PHASE 1**

Project No. P.W. 02-14-09

CITY OF ALAMEDA

PUBLIC WORKS DEPARTMENT

Item No.	Item Description	Unit	Quantity	Unit Cost
1.	Manhole Inspections	EA	294	\$90.00
2.	Storm Drain Cleaning and Video Inspection, 12"	LF	6,901	\$1.88
3.	Storm Drain Cleaning and Video Inspection, 15"	LF	5,549	\$2.04
4.	Storm Drain Cleaning and Video Inspection, 18"	LF	13,763	\$2.07
5.	Storm Drain Cleaning and Video Inspection, 21"	LF	7,206	\$2.09
6.	Storm Drain Cleaning and Video Inspection, 24"	LF	10,027	\$2.75
7.	Storm Drain Cleaning and Video Inspection, 27"	LF	3,761	\$2.75
8.	Storm Drain Cleaning and Video Inspection, 30"	LF	1,666	\$2.80
9.	Storm Drain Cleaning and Video Inspection, 33"	LF	575	\$3.80
10.	Storm Drain Cleaning and Video Inspection, 36"	LF	1,094	\$4.80
11.	Storm Drain Cleaning and Video Inspection, 45"	LF	479	\$7.80
12.	Storm Drain Cleaning and Video Inspection, 48"	LF	321	\$8.80
13.	Storm Drain Cleaning and Video Inspection, 54"	LF	165	\$13.80
14.	Storm Drain Cleaning and Video Inspection, 60"	LF	269	\$15.80
15.	Permit (Allowance)	EA	1	\$3,000.00

TOTAL: \$160,409.99

Exhibit B
City of Alameda Firm Verification Form
Implementation of City of Alameda Integrated Pest Management Policy

The City of Alameda (City) is mandated to:

- (a) Minimize its reliance on pesticides that threaten water quality, and
- (b) Require the effective use of Integrated Pest Management (IPM) in all municipal operations and on all municipal property.

To ensure compliance with this mandate, all City operations need to verifiably implement the practices and policies described in the City's IPM Policy adopted June 15, 2010. A copy of this IPM Policy is included with this form. The implementation of the IPM Policy is applicable to all municipal firms that provide landscaping, structural pest control, or other pest management services in support of City operations and/or on municipal property.

The undersigning parties acknowledge that all elements of the City's IPM Policy will be implemented throughout the period of contractual services provided to City operations and on municipal property. Specific actions to document this performance shall include:

- ☐ Pest Management. Firm shall provide to City project manager for pre-approval the Pest Management Considerations Checklist.
- ☐ Pest Management. Firm shall avoid the use of the following pesticides that threaten water quality, human health and the environment:
 - o Acute Toxicity Category I chemicals as identified by the Environmental Protection Agency (EPA)
 - o Organophosphate pesticides (e.g., those containing Diazinon, chlorpyrifos or malathion)
 - o Pyrethroids (bifenthrin, cyfluthrin, beta-cyfluthrin, cypermethrin, deltamethrin, esfenvalerate, lambda-cyhalothrin, permethrin, and tralomethrin), carbamates (e.g., carbaryl), and fipronil
 - o Copper-based pesticides unless their use is judicious, other approaches and techniques have been considered and the threat of impact to water quality is prevented.
- ☐ Pest Management Firm shall provide to the City's project manager an annual Report of all pesticide usage in support of City operations including product name and manufacturer, active ingredient(s), target pest(s), the total amounts used and reasons for any increase in use of any pesticide.
- ☐ If the Firm's on-site personnel are currently IPM certified through either the EcoWise or GreenPro programs, or through another program, the firm shall provide written evidence of any certifications to the City's project manager.

City Departmental Representative

Print Name

Date

City Department



Firm Representative



Print Name



Date

City Firm

Exhibit C
**City of Alameda Pest Management Firm Checklist:
Pest Management Options Considerations**

Firm will consider the City IPM Policy's hierarchy of options or alternatives listed below, in the following order before recommending the use of or applying any pesticide on City property. Please provide a written explanation in each section below of why the specific pest management option is not appropriate:

(1) No controls (e.g. tolerating the pest infestation, use of resistant plant varieties or allowing normal life cycle of weeds)

Comment: _____

(2) Physical or mechanical controls (e.g. hand labor, mowing, exclusion)

Comment: _____

(3) Cultural controls (e.g. mulching, disking, alternative vegetation), good housekeeping (e.g. cleaning desk area)

Comment: _____

(4) Biological controls (e.g., natural enemies or predators)

Comment: _____

(5) Reduced-risk chemical controls (e.g., soaps or oils)

Comment: _____

(6) Other chemical controls

Comment: _____

Firm Representative

J.C. Taylor
Print Name

12-30-14
Date

J.C. Taylor
Signature

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

11/26/2014

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 Dealey, Renton & Associates P. O. Box 12675 Oakland, CA 94604-2675 510 465-3090	CONTACT NAME:	
	PHONE (A/C, No, Ext): 510 465-3090	FAX (A/C, No): 510 452-2193
INSURED Subtronic Corporation 5031 Blum Road, Suite 2 Martinez, CA 94553-5342	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: American Automobile Ins. Co.	NAIC # 21849
	INSURER B: State Compensation Ins. Fund of	35076
	INSURER C: XL Specialty Insurance Co.	37885
	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 SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC		MZG80955664 GENERAL LIAB EXCLUDES CLAIMS ARISING OUT OF THE PERFORMANCE OF PROFESSIONAL SERVICES.	04/19/2014	04/19/2015	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 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 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		MZG80955664	04/19/2014	04/19/2015	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$		CGX57907081	04/19/2014	04/19/2015	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	90794232014	11/28/2014	11/28/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
C	Professional Liability		DPR9713808	04/19/2014	04/19/2015	\$1,000,000 per claim \$2,000,000 annl aggr.

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

Ref: P.W. No. 02-14-09 - Storm Drain Video Inspection & Cleaning, Phase I. The City of Alameda, its City Council, Boards, Commissions, Officials, Officers, Employees and Volunteers are included as Additional Insured for General and Automobile Liability. Insurance is primary and a Cross Liability Clause applies per policy form. A Waiver of Subrogation applies to General Liability, Automobile Liability and Workers' Compensation.

CITY OF ALAMEDA
Risk Management

CERTIFICATE HOLDER Date 1-12-15 Lucretia Akil, City Risk Manager City of Alameda Public Works Department 950 W. Mall Square, # 110 Alameda, CA 94501	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Elise Fisher
--	---

California Additional Insured - Owners, Lessees or Contractors - Scheduled Person or Organization - CG 32 93 09 09

Policy Amendment(s) Commercial General Liability

Insured: Subtronic Corporation

Policy Number: MZG80955664

Producer: Dealey, Renton & Associates

Effective Date: 04/19/2014

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

Schedule

Name of Additional Insured Person(s) or Organization(s)

Location of Covered Operations

The City of Alameda, its City Council, Boards, Commissions, Officials, Officers, Employees and Volunteers

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

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

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

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

However:

1. If an additional insured(s) shown in the Schedule is a builder, general contractor or contractor not affiliated with the builder; and
2. You have entered into a residential construction contract subject to the requirements of California Civil Code Section 2782(c) with such builder or contractor;

then such builder or contractor is an additional insured under this endorsement but only to the

extent of the liability for **bodily injury, property damage or personal and advertising injury** that you have assumed in the residential construction contract with that party.

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

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

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

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the Fireman's Fund Insurance Companies as named in the policy

Secretary

President

CITY OF ALAMEDA
Risk Management

Lucretia Akil, City Risk Manager

Date

1-12-15

California Additional Insured - Owners, Lessees or Contractors - Completed Operations - CG 32 95 09 09

Policy Amendment(s) Commercial General Liability

Insured: Subtronic Corporation

Policy Number: MZG80955664

Producer: Dealey, Renton & Associates

Effective Date: 04/19/2014

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

Schedule

Name of Additional Insured Person(s) or Organization(s)

Location and Descriptions of Completed Operations

The City of Alameda, its City Council, Boards, Commissions, Officials, Officers, Employees and Volunteers

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 caused, in whole or in part, by your work at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the products-completed operations hazard.

However:

1. If an additional insured(s) shown in the Schedule is a builder, general contractor or contractor not affiliated with the builder; and

2. You have entered into a residential construction contract subject to the requirements of California Civil Code Section 2782(c) with such builder or contractor;

then such builder or contractor is an additional insured under this endorsement but only to the extent of the liability for bodily injury or property damage that you have assumed in the residential construction contract with that party.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy

Secretary

President

ENDORSEMENT AGREEMENT



WAIVER OF SUBROGATION
BLANKET BASIS

90794232014

HOME OFFICE
SAN FRANCISCO

EFFECTIVE 11/28/2014
AND EXPIRING 11/28/2015

AT 12.01 A.M.
AT 12.01 A.M.

NA
3-49-15-41
PAGE 1 OF 1

ALL EFFECTIVE DATES ARE
AT 12:01 AM PACIFIC
STANDARD TIME OR THE
TIME INDICATED AT
PACIFIC STANDARD TIME

Subtronic Corporation
5031 Blum Road, Suite 2
Martinez, CA 94553-5342

WE HAVE THE RIGHT TO RECOVER OUR PAYMENTS FROM ANYONE
LIABLE FOR AN INJURY COVERED BY THIS POLICY. WE WILL
NOT ENFORCE OUR RIGHT AGAINST THE PERSON OR
ORGANIZATION NAMED IN THE SCHEDULE.

THIS AGREEMENT APPLIES ONLY TO THE EXTENT THAT YOU
PERFORM WORK UNDER A WRITTEN CONTRACT THAT REQUIRES YOU
TO OBTAIN THIS AGREEMENT FROM US.

THE ADDITIONAL PREMIUM FOR THIS ENDORSEMENT SHALL BE
2.00% OF THE TOTAL POLICY PREMIUM.

SCHEDULE

PERSON OR ORGANIZATION

JOB DESCRIPTION

ANY PERSON OR ORGANIZATION
FOR WHOM THE NAMED INSURED
HAS AGREED BY WRITTEN
CONTRACT TO FURNISH THIS
WAIVER

BLANKET WAIVER OF
SUBROGATION

CITY OF ALAMEDA
Risk Management
Date 1-12-15
Lucretia Akil, City Risk Manager

NOTHING IN THIS ENDORSEMENT CONTAINED SHALL BE HELD TO VARY, ALTER, WAIVE
OR EXTEND ANY OF THE TERMS, CONDITIONS, AGREEMENTS, OR LIMITATIONS OF THIS
POLICY OTHER THAN AS STATED. NOTHING ELSEWHERE IN THIS POLICY SHALL BE
HELD TO VARY, ALTER, WAIVE OR LIMIT THE TERMS, CONDITIONS, AGREEMENTS OR
LIMITATIONS OF THIS ENDORSEMENT.

COUNTERSIGNED AND ISSUED AT SAN FRANCISCO:

Kent R. Lauf
AUTHORIZED REPRESENTATIVE

Thomas E. Rone
PRESIDENT AND CEO

FleetCover® Endorsement - CA 70 18 03 10

Policy Amendment(s) Commercial Business Auto Coverage Form - Motor Carrier Coverage Form

A. Broadened Named Insured

Section II - Liability Coverage, A. Coverage, 1. Who Is An Insured, the following is added:

Any organization you own on the inception of this policy, or newly acquire or form during the policy period, and over which you maintain during the policy period, majority ownership or majority interest will qualify as a Named Insured if:

- (1) There is no other similar insurance available to that organization; and
- (2) The first Named Insured shown in the Declarations of this policy has the responsibility of placing insurance for that organization; and
- (3) The organization is incorporated or organized under the laws of the United States of America.

However:

- (a) Coverage under this provision is afforded only until the next occurring 12 month anniversary of the beginning of the policy period shown in the Declarations, or the end of the policy period, whichever is earlier; and
- (b) Coverage under this provision does not apply to **bodily injury** or **property damage** that results from an **accident** that occurred before you acquired or formed the organization; and
- (c) No person or organization is an **insured** with respect to any current or past partnership, or joint venture that is not shown as a Named Insured in the Declarations; and
- (d) Coverage under A.(1), (2) and (3) above does not apply to any organization that is covered

as an **insured** under any other automobile liability insurance policy whose limits of insurance have been exhausted or whose insurer has become insolvent.

B. Broadened Who Is an Insured

1. Form CA0001 (if attached to this policy), **Section II - Liability Coverage, 1. Who Is An Insured, item b.(2) is deleted, and d. is added as follows:**
 - d. Your **employee** while using with your permission his owned **auto**, or an **auto** owned by a member of his or her household, in your business or your personal affairs, provided you do not own, hire or borrow that **auto**.
2. Form CA0020 (if attached to this policy), **Section II - Liability Coverage, 1. Who Is An Insured, item b.(2) is deleted, and f. is added as follows:**
 - f. Your **employee** or agent while using with your permission his owned **private passenger type auto**, or a **private passenger type auto** owned by a member of his or her household, in your business or personal affairs, provided you do not own, hire, or borrow that **auto**.

C. Additional Insured Coverage and Waiver of Subrogation

1. Form CA0001 (if attached to this policy), **Section II - Liability Coverage, 1. Who Is An Insured, the following is added as item e.; and form CA0020 (if attached to this policy), Section II - Liability Coverage, 1. Who Is An Insured; the following is added as item g.:**

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy

Sally P. Nagy

Secretary

Tracy D. Forché

President

Any person or organization with respect to the operation, maintenance, or use, of a covered auto, provided that you and such person or organization have agreed under an expressed provision in a written insured contract or written agreement, or a written permit issued to you by a governmental or public authority, to add such person, organization, or governmental or public authority to this policy as an insured

However, such person or organization is an insured

- (1) Only with respect to the operation, maintenance, or use, of a covered auto; and
 - (2) Only for bodily injury or property damage caused by an accident which takes place after:
 - (a) You executed the insured contract or written agreement; or
 - (b) The permit has been issued to you.
2. Form CA0001 (if attached to this policy), Section IV - Business Auto Conditions, A. Loss Conditions, item 5.; and form CA0020 (if attached to this policy), Section V - Motor Carrier Conditions, A. Loss Conditions, item 6.; the following is added:

Waiver of Subrogation

If required by a:

- a. Written Insured contract or written agreement executed prior to the accident; or
- b. Written permit issued to you by a governmental or public authority prior to the accident;

we waive any right of recovery we may have against any person or organization named in such contract, agreement or permit, because of payments we make for injury or damage arising out of the ownership, maintenance or use of a covered auto.

D. Auto Medical Payments - Increased Limit

For each covered auto described in the Declarations or shown in the Schedule as having Auto

Medical Payments Coverage, the Medical Payments Limit of Insurance for those autos is revised to the greater of:

1. \$5,000; or
2. The limit shown in the Declarations

E. Hired Auto Physical Damage Coverage and Loss of Use Expenses

Hired Auto Physical Damage Coverage

If Physical Damage Coverage is provided by this policy on your owned covered autos, the following applies:

Any auto that you lease, hire, rent or borrow without a driver, will be covered under this policy for Physical Damage Coverage. However any such auto:

1. Will be covered only for the same Physical Damage Coverage that applies to your owned covered autos;
2. Will be subject to the same applicable deductible shown in the Declarations that applies to your most similar owned covered auto, except any Comprehensive Coverage deductible does not apply to loss caused by fire or lightning; and
3. The most we will pay for any one loss in any one accident is the lesser of the following:
 - a. Actual cash value of the damaged or stolen property as of the time of the loss as determined by us; or
 - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

In addition, we will pay costs and fees associated with such covered loss only for a maximum time period of seven days beginning with the date of loss, subject to a maximum of \$500.

However:

1. If form CA0001 is attached to this policy, this coverage does not apply to autos you lease, hire, rent or borrow from any of your employees, partners (if you are a partnership), members (if you are a limited liability company) or members of their households; and

2. If form CA0020 is attached to this policy, this coverage does not apply to any private passenger type auto you lease, hire, rent or borrow from any member of your household, any of your employees, partners (if you are a partnership), members (if you are a limited liability company), or agents or members of their households.

Hired Auto Loss of Use Expenses

Form CA0001 (if attached to this policy), Section III - Physical Damage Coverage, A. Coverage, 4. Coverage Extensions, b. Loss of Use Expenses; and form CA0020 (if attached to this policy), Section IV - Physical Damage Coverage, A. Coverage, 4. Coverage Extensions, b. Loss of Use Expenses; is deleted and replaced by the following:

- b. For Hired Auto Physical Damage, we will pay expenses for which an Insured becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:
 - (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered auto;
 - (2) Specified Causes of Loss only if the Declarations indicate that Specified Causes of Loss is provided for any covered auto; or
 - (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered auto.

However, the most we will pay for any expenses for loss of use is \$100 per day, to a maximum of \$1,000.

F. Coverage Territory - Hired Auto

Form CA 0001, (if attached to this policy), Section IV - Business Auto Conditions, B. General Conditions, 7. Policy Period, Coverage Territory, b.(5).(a) is replaced by the following:

- (a) A covered auto of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 180 days or less; and

Form CA0020 (if attached to this policy), Section V - Motor Carrier Conditions, B. General

Conditions, 7. Policy Period, Coverage Territory, b.(5).(a); is replaced by the following:

- (a) A covered auto of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 180 days or less; and

G. Communication Equipment Coverage

1. Form CA 0001 (if attached to this policy), Section III - Physical Damage Coverage, C. Limit of Insurance, Paragraph 2. is deleted and replaced by the following:
 2. \$1,500 is the most we will pay for loss in any one accident to all electronic equipment that reproduces, receives or transmits audio, visual or data signals which, at the time of the loss, is:
2. Form CA0020 (if attached to this policy), Section IV - Physical Damage Coverage, Limits of Insurance, Paragraph 2. is deleted and replaced by the following:
 2. \$1,500 is the most we will pay for loss in any one accident to all electronic equipment that reproduces, receives or transmits audio, visual or data signals which, at the time of the loss, is:

H. Tapes, Records, CDs and DVD Coverage

- A. Under Comprehensive Coverage, we will pay for loss to tapes, records, discs or other similar devices used with audio, visual or data electronic equipment. We will pay only if the tapes, records, discs or other similar audio, visual or data electronic devices:
 1. Are your property, or that of a family member; and
 2. Are in a covered auto at the time of a loss.
- B. The most we will pay for loss is \$250.
- C. Physical Damage Coverage provisions apply to this coverage, except that no deductible applies.

1. Personal Effects Coverage

Form CA0001 (if attached to this policy), Section III - Physical Damage Coverage, A. Coverage, 4. Coverage Extensions; and form CA0020 (if attached to this policy), Section IV - Physical

Damage Coverage, A. Coverage, 4. Coverage Extensions; item d. is added as follows:

d. Personal Effects Coverage

We will pay up to \$500 for loss for clothing items or other personal effects that are owned by an insured and are in an Owned auto at the time of a covered loss.

Personal Effects do not include audio visual or electronic devices, money, giftcards, securities, jewelry, or tools.

This coverage is excess over any other collectible insurance.

No deductible applies to this coverage.

J. Airbag Coverage

1. Form CA0001 (if attached to this policy), Section III - Physical Damage Coverage, B. Exclusions, 3.a.; and form CA0020 (if attached to this policy), Section IV - Physical Damage Coverage, B. Exclusions, 3.a.; the following is added:

However, mechanical breakdown does not mean the unintended discharge of an airbag, provided that any loss covered under this provision is excess over any other collectable insurance or warranty designed to cover such unintended discharge.

K. Rental Reimbursement

Form CA0001 (if attached to this policy), Section III - Physical Damage Coverage, A. Coverage, 4. Coverage Extensions; and form CA0020 (if attached to this policy), Section IV - Physical Damage Coverage, A. Coverage, 4. Coverage Extensions; item c. is added as follows:

c. Rental Reimbursement or Transportation Expenses

If loss occurs to a covered auto described or designated in the Declarations or Schedule and covered for Physical Damage Coverage, we will pay for rental expenses for the rental of a similar replacement auto and additional transportation expenses, incurred by you. This payment applies in addition to the otherwise applicable amount of each coverage you have on the covered auto. No deductible applies to this coverage. However:

- (1) We will pay only for those expenses incurred by you that begin 24 hours after the covered loss.
- (2) We will cease paying for those expenses, regardless of the policy's expiration date, at the earlier of the following dates:
 - (a) The number of days reasonably required to repair or replace the covered auto. If loss is caused by theft, this number of days is added to the number of days it takes to locate and return the covered auto to you; or
 - (b) 45 days from the date this coverage begins.
- (3) Our payment is limited to the lesser of the following amounts:
 - (a) Necessary and actual expenses incurred by you; or
 - (b) \$1,500.
- (4) This coverage does not apply while there are spare or reserve autos available to you for your operations.
- (5) If loss results from the total theft of a covered private passenger type auto (if CA0020 is attached to this policy), or a covered private passenger auto (if CA0001 is attached to this policy), we will pay under this coverage only that amount of your covered rental expenses or additional transportation expenses which are not already provided for under the Physical Damage Coverage Extensions.


L. Extended Towing Coverage

1. Form CA0001 (if attached to this policy), Section III - Physical Damage Coverage, A. Coverage, 2. Towing, is replaced by the following:

2. Extended Towing

We will pay up to \$750 per disablement for towing and labor costs you incur each time your covered auto is disabled. However:

CITY OF ALAMEDA
Risk Management



Date 1-12-15

Lucretia Akil, City Risk Manager

Firm Agreement.
Subtronic Corp.
Payment & Performance
Bonds 00
\$ 160,410.





Western Surety Company

PAYMENT BOND

ANNUAL BOND FOR A MULTI-YEAR CONTRACT

Bond No. 62245822

KNOW ALL MEN BY THESE PRESENTS, That we, Subtronic Corporation

of Martinez, California (hereinafter called the Principal), and
Western Surety Company (hereinafter called the Surety),

are held and firmly bound unto City of Alameda
(hereinafter called the Obligee), in the full and just sum of One Hundred Sixty Thousand Four
Hundred Ten and 00/100 Dollars (\$ 160,410.00),
to the payment of which sum, well and truly to be made, the said Principal and Surety bind themselves, their
heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the above bonded Principal has entered into a certain written contract with the above mentioned
Obligee dated _____ to _____ for a period of _____
which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length
herein.

WHEREAS, the Obligee has agreed to accept a bond guaranteeing the payment of said contract for a period
of only one year.

NOW, THEREFORE, THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, that if Principal shall in
accordance with applicable Statutes, promptly make payment to all persons supply labor and material in the
prosecution of the work provided for in said contract, and any and all duly authorized modifications of said
contract that may hereafter be made, notice of which modifications to Surety being waived, then this obligation to
be void; otherwise to remain in full force and effect.

Provided, however, that this bond is subject to the following conditions and provisions:

1. This bond is for the term beginning February 4, 2015 and ending 12/31/2015.
2. No claim, action, suit or proceeding, except as hereinafter set forth; shall be had or maintained against
the Surety on this instrument unless same be brought or instituted and process served upon the Surety
within six months after the completion of the contract.
3. The total amount of the Surety's liability under this bond shall in no event exceed the penal sum hereof.
4. The bond may be extended for additional terms at the option of the Surety, by continuation certificate
executed by the Surety.

Signed and sealed this 4th day of February, 2015.

Subtronic Corporation

By: J. G. Taylor

Form F6362

Western Surety Company

By: J. G. Taylor

Attorney-in-Fact

JASON PAUL DOWNS

Western Surety Company

POWER OF ATTORNEY - CERTIFIED COPY

Bond No. 62245822

Know All Men By These Presents, that WESTERN SURETY COMPANY, a corporation duly organized and existing under the laws of the State of South Dakota, and having its principal office in Sioux Falls, South Dakota (the "Company"), does by these presents make, constitute and appoint JASON PAUL DOWNS

its true and lawful attorney(s)-in-fact, with full power and authority hereby conferred, to execute, acknowledge and deliver for and on its behalf as Surety, bonds for:

Principal: Subtronic Corporation

Obligee: City of Alameda

Amount: \$500,000.00

and to bind the Company thereby as fully and to the same extent as if such bonds were signed by the Senior Vice President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said attorney(s)-in-fact may do within the above stated limitations. Said appointment is made under and by authority of the following bylaw of Western Surety Company which remains in full force and effect.

"Section 7. All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

All authority hereby conferred shall expire and terminate, without notice, unless used before midnight of December 31, 2015, but until such time shall be irrevocable and in full force and effect.

In Witness Whereof, Western Surety Company has caused these presents to be signed by its Vice President, Paul T. Bruflat, and its corporate seal to be affixed this 4th day of February, 2015.



WESTERN SURETY COMPANY

Paul T. Bruflat, Vice President

On this 4th day of February, in the year 2015, before me, a notary public, personally appeared Paul T. Bruflat, who being to me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of WESTERN SURETY COMPANY and acknowledged said instrument to be the voluntary act and deed of said corporation.



My Commission Expires August 11, 2016

Notary Public - South Dakota

I the undersigned officer of Western Surety Company, a stock corporation of the State of South Dakota, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable, and furthermore, that Section 7 of the bylaws of the Company as set forth in the Power of Attorney is now in force.

In testimony whereof, I have hereunto set my hand and seal of Western Surety Company this 4th day of February, 2015.

WESTERN SURETY COMPANY

Paul T. Bruflat, Vice President

☐ Acknowledgment of Principal

☒ Acknowledgment of Surety (Attorney-in-Fact)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF SAN LUIS OBISPO } ss

On December 19, 2014 before me, Alyssia Jeanne Wanick
date here insert name and title of the officer

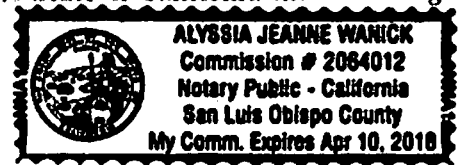
personally appeared JASON PAUL DOWNS
name(s) of signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Alyssia Jeanne Wanick (Seal)



(The balance of this page is intentionally left blank.)



PERFORMANCE BOND
(Page 2 of 2)

PROVIDED, HOWEVER, that this bond is subject to the following conditions and provisions:

1. This bond is for the term beginning February 4, 2015 and ending December 31, 2015.
2. In the event of default by the Principal in performance of the contract during the term of this bond the Surety shall be liable only for the loss to the Obligees for actual excess costs of performance of the contract up to the expiration of the term of this bond and in no event shall the liability of the Surety exceed the penal sum stated in this bond.
3. No claim, action, suit or proceeding, except as hereinafter set forth, shall be instituted or maintained against the Surety under this instrument unless same be brought or instituted and process served upon the Surety within one year after the expiration of the term of this bond.
4. Neither non-renewal by the Surety, nor failure, nor inability of the Principal to file a performance bond for subsequent terms under said contract shall constitute loss to the Obligees recoverable under this bond.
5. The bond may be extended for additional terms at the option of the Surety, by continuation certificate executed by the Surety and the Principal but regardless of the number of extensions for additional terms and the number of premiums which shall be payable or paid, the liability of the Surety hereunder shall not be cumulative from year to year nor period to period.
6. No right of action shall accrue on this bond to or for the use of any person or corporation other than the Obligees named herein or the heirs, executors, administrators or successors of the Obligees.

Signed and sealed this 4th day of February, 2015.

Subtronic Corporation

(Principal)

By: J. Q. Taylor

Western Surety Company

(Surety)

By: J. Paul Downs

JASON PAUL DOWNS

Attorney-in-Fact

