

CONSULTANT AGREEMENT

THIS AGREEMENT, entered into this ____ day of _____, 2016, by and between CITY OF ALAMEDA, a municipal corporation (hereinafter referred to as "City"), and BAY SHIP & YACHT CO., a California corporation whose address is 2900 Main Street, #2100, Alameda, CA 94501, (hereinafter referred to as "Consultant"), 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. Consultant is specially trained, experienced and competent to perform the special services which will be required by this Agreement.
- C. Consultant 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 Consultant desire to enter into an agreement for Port Management Services for piers one (1) through three (3) at Alameda Point, 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 ____ day of _____, 2016, and shall terminate on the ____ day of _____, 2018, unless terminated earlier as set forth herein.

2. SERVICES TO BE PERFORMED:

Consultant agrees to perform 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 Consultant acknowledges that the work plan included in Exhibit A is tentative and does not commit the City to request Consultant to perform all tasks included therein.

3. COMPENSATION TO CONSULTANT:

Consultant shall be compensated for services performed pursuant to this Agreement in the amount not to exceed \$1,240,680 as set forth in Exhibit "A" which is attached hereto and incorporated herein by this reference. Payment shall be made by checks drawn on the treasury of the City, to be taken from Program 819099.

4. TIME IS OF THE ESSENCE:

Consultant and City agree that time is of the essence regarding the performance of this

Agreement.

5. STANDARD OF CARE:

Consultant 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:

Consultant hereby declares that it is engaged as an independent business and it agrees to perform its services as an independent contractor. The manner and means of conducting the work are under the control of Consultant, 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 Consultant'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 Consultant, 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 Consultant. Payments of the above items, if required, are the responsibility of Consultant.

7. IMMIGRATION REFORM AND CONTROL ACT (IRCA):

Consultant assumes any and all responsibility for verifying the identity and employment authorization of all of his/her employees performing work hereunder, pursuant to all applicable IRCA or other federal, or state rules and regulations. Consultant 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 Consultant.

8. NON-DISCRIMINATION:

Consistent with City's policy that harassment and discrimination are unacceptable employer/employee conduct, Consultant agrees that harassment or discrimination directed toward a job applicant, a City employee, or a citizen by Consultant or Consultant's employee or subcontractor 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. Consultant agrees that any and all violations of this provision shall constitute a material breach of this Agreement.

9. HOLD HARMLESS:

Indemnification:

Consultant shall indemnify, defend, and hold harmless City, its City Council, boards, commissions, officials, employees, and volunteers ("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 Consultant'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 Consultant, Consultant shall have no right of reimbursement against Indemnitees for the costs of defense even if negligence is not found on the part of Consultant. However, Consultant shall not be obligated to indemnify Indemnitees from Claims arising from

the sole negligence or willful misconduct of Indemnitees.

Indemnification For Claims for Professional Liability:

As to Claims for professional liability only, Consultant's obligation to defend Indemnitees (as set forth above) is limited to the extent to which its professional liability insurance policy will provide such defense costs.

10. INSURANCE:

On or before the commencement of the term of this Agreement, Consultant 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, D and E. Such certificates, which do not limit Consultant'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 ten (10) days' advance written notice to the City of Alameda, Attention: Risk Manager." It is agreed that Consultant 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, its City Council, boards, commissions, officials, employees, and volunteers as additional insured shall be submitted with the insurance certificates.

A. COVERAGE:

Consultant 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 (any auto) 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

(4) Errors and Omissions:

Errors and Omissions insurance which includes coverage for the acts, errors and omissions of Consultant in the amount of \$1,000,000.

B. SUBROGATION WAIVER:

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

C. FAILURE TO SECURE:

If Consultant 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 Consultant's name or as an agent of the Consultant and shall be compensated by the Consultant 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, commissions, officials, employees, and volunteers shall be named as an additional insured under all insurance coverages, except any professional liability insurance, required by this Agreement. 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 Consultant. Consultant is advised to confer with Consultant's insurance broker to determine adequate coverage for Consultant.

11. CONFLICT OF INTEREST:

Consultant warrants that it is not a conflict of interest for Consultant to perform the services required by this Agreement. Consultant may be required to fill out a conflict of interest form if the services provided under this Agreement require Consultant to make certain governmental decisions or serve in a staff capacity as defined in Title 2, Division 6, Section 18700 of the California Code of Regulations.

12. PROHIBITION AGAINST TRANSFERS:

Consultant 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 Consultant 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 Consultant.

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

13. SUBCONTRACTOR APPROVAL:

Unless prior written consent from City is obtained, only those people and subcontractors whose names and resumes are attached to this Agreement shall be used in the performance of this Agreement.

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

14. PERMITS AND LICENSES:

Consultant, at his/her sole expense, shall obtain and maintain during the term of this Agreement, all appropriate permits, certificates and licenses including, but not limited to, 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, hereinafter collectively referred to as "Report", reproduced, prepared or caused to be prepared by Consultant pursuant to or in connection with this Agreement, shall be the exclusive property of City. Consultant shall not copyright any Report required by this Agreement and shall execute appropriate documents to assign to City the copyright to Reports created pursuant to this Agreement. Any Report, information and data acquired or required by this Agreement shall become the property of City, and all publication rights are reserved to City.

All Reports prepared by Consultant may be used by City in execution or implementation of:

- (1) The original Project for which Consultant was hired;
- (2) Completion of the original Project by others;
- (3) Subsequent additions to the original project; and/or
- (4) Other City projects as appropriate.

Consultant shall, at such time and in such form as City may require, furnish reports concerning the status of services required under this Agreement.

All Reports required to be provided by this Agreement shall be printed on recycled paper. All Reports shall be copied on both sides of the paper except for one original, which shall be single sided.

No Report, information or other data given to or prepared or assembled by Consultant pursuant to this Agreement shall be made available to any individual or organization by Consultant without prior approval by City.

16. RECORDS:

Consultant 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.

Consultant 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. Consultant 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 Consultant 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 Consultant to City shall be addressed to City at:

City of Alameda
Base Reuse Department
2263 Santa Clara Ave, Room 120
Alameda, CA 94501
ATTENTION: Nanette Mocanu
Ph: (510) 747-6886 / Fax: (510) 523-7538

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

Bay Ship and Yacht Co.
2900 Main Street, #2100
Alameda, CA 94501
ATTENTION: Alan Cameron, General Manager
Ph: (510) 337-9122 / Fax: (510) 337-0154

18. TERMINATION:

In the event Consultant fails or refuses to perform any of the provisions hereof at the time and in the manner required hereunder, Consultant shall be deemed in default in the performance of this Agreement. If such default is not cured within a period of two (2) business days after receipt by Consultant 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 Consultant 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 Consultant 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.

19. PURCHASES OF MINED MATERIALS REQUIREMENT:

Consultant 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, Consultant 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.

20. COMPLIANCES:

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

21. 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.

22. **ADVERTISEMENT:**

Consultant 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.

23. **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.

24. **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 Consultant.

25. **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.

26. **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.

Signatures on next page


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

BAY SHIP AND YACHT CO.
(A California corporation)

CITY OF ALAMEDA


By Alan Cameron
Title Vice President

Jill Keimach
City Manager



Name JAMES WHITMAN
Title CFO

RECOMMENDED FOR APPROVAL:



Nanette Mocanu
Assistant Community Development Director

APPROVED AS TO FORM:
City Attorney



Farimah Brown
Sr. Assistant City Attorney

III. PROPOSAL

A. APPROACH

Outlined below are the key elements of our comprehensive approach and key success factors we believe necessary to meet and exceed the City of Alameda's required management and maintenance services described in the Request for Proposal. As with all BSY's projects and client engagements, we will proactively identify and resolve problems, continuously communicate project status and strive for the highest levels of customer satisfaction. To best address the issues and tasks raised in the proposal, these service areas will be essential:

Inspection: Whether it be sweeping the piers, inspecting potable water connections, or performing a harbor patrol, the Alameda Point Inspectors will be full-time employees responsible for performing day-to-day tasks. The Inspectors responsibilities will be to identify, document and communicate to the Operations Manager on service or infrastructure conditions and any concerns that may arise. The Inspectors will be equipped with a customized work boat, strong enough to maneuver oil booms. A dedicated work cart will facilitate inspections around the property, providing a recognizable daily presence at the Piers. BSY will also be available after normal business hours and each tenant shall be given the shipyard Duty Coordinator's cell phone number, allowing for 24/7 service and support. Full support from the shipyard for any issues that may arise will be mobilized by the Duty Coordinator to support efforts at Alameda Point. All calls from customers, whether an emergency or not, must be responded to immediately and all company resources are intended to be available all the time for customer response or yard emergency.

Operations: The Operations Manager, Don Mitchell, will provide managerial oversight and technical insight into routine maintenance. Any work which is to be performed at Alameda Point shall be approved by Mr. Mitchell, insuring that proposed repairs are not only effective but carried out to proper industry standards. Additionally, Mr. Mitchell will act as the point of contact for tenants. The Operations Manager will response to any issue raised. These critical relationships will be facilitated by monthly meetings with tenants to review vessel arrival and departure schedules, any repair requests or concerns. Another aspect of the Operations Manager's job will be to arrange for specialty trades from BSY's shipyard to assist in maintenance such as pipefitters, welders and carpenters just to name a few. BSY has the technical capabilities and personnel to identify problems and perform maintenance solutions in a timely manner.

Contract Administration: Once a month, the Contract Administrator, Ali Whalen, will compile inspection, repair reports and as well as a vessel schedule for PM Realty. These reports will outline conditions at the Piers, any deficiencies and any repairs performed. Any repairs outside of routine maintenance shall have a recommended repair scope of work developed, which will include potential contactors to perform the work and a rough order of magnitude for the cost involved.

Management: Management of Piers 1-3 at Alameda Point shall be overseen and fall within the responsibilities of BSY's General Manager, Alan Cameron. Mr. Cameron will analyze regular site reports and provide insight as to planning, contract and subcontract management. He will also maintain an open and informed line of communication with PM Realty and the City of Alameda, working with them to manage the Piers at Alameda Point.

Maintenance: In order to effectively and efficiently manage the Piers at Alameda Point, and all utilities and equipment on site, our shipyard Facility Manager, Carl Keeney, shall implement a computerized work order management system. This software, MP2, is a customizable enterprise asset management system that effectively tracks all routine maintenance, repair and upgrades to facilities, equipment and utilities. MP2 reports will be used to dispatch experienced technicians to perform inspections, recommend maintenance, perform repairs and provide status reports of the facilities. Essentially, the MP2 system will be utilized to

communicate any changes or potential upgrades to the Alameda Point site. By documenting site conditions and implementing regular meetings with tenants and PM Realty, BSY will facilitate not only communication but solutions. Examples from MP2 of task and work orders which Mr. Keeney has generated as samples for Alameda Point are provided in Appendix 2.

Oil Spill Contingency Plan: At the start of the contract period, BSY's Environmental Health and Safety Manager, Chad Peddy, will lead a Risk and Hazard Analysis Audit to fully evaluate the potential impacts and prevention resources currently available on site. Capitalizing on the data gathered from this audit BSY will modify our current Oil Spill Response Plan utilizing all available shipyard resources. Due to the close proximity of our shipyard to the MARAD Piers it is projected that a response to a spill will be consistent with the current shipyard's spill response. On-site staffing will be the initial first responders assuring boom containment. This staff will be backed up within minutes by shipyard employees. Upon arrival shipyard employees will initiate the Incident Command System following United States Coast Guard guidelines to stop the discharge, control the spilled product and minimize impact.

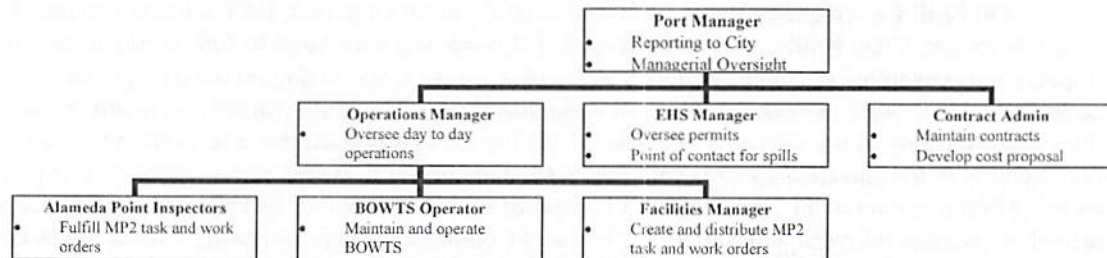
Bilge and Oily Water Treatment System (BOWTS): BSY will manage the BOWTS similarly to how we run our current shipyard Oil Water Treatment System (OWTS); using an all-encompassing stepped management system. This system provides each person involved the tools to succeed and the associated accountability. Mr. Mitchell will provide general oversight and coordination, with Mr. Cameron managing the budget. The Operations Manager, by working with Mr. Peddy, will assure 100% compliance with company and regulatory policies. The operator which BSY shall designate has over 10 years' experience managing the handling and processing of shipboard oily waters. All of these members of the team shall be available to operate the BOWTS at the customer's request. This extensive training gives our team the knowledge to make the appropriate decisions that allow our team to identify situations and find solutions before they become problems. They also review logs to proactively identify items needing pre-scheduled calibration.

Maintenance is part of daily operations. At the start of operations, BSY will go through a check sheet to verify proper operation with all management and regulatory requirements. Through the MP2 system described above, specialists will be dispatched on a scheduled routine basis to perform manufacturer recommended cleanings and inspection. This often includes inspection of the prescreening unit to assure no pass through; emptying out, steam cleaning and replacing components as required on the oily water separation unit; calibrating the pressure gauges and adjusting the float switches on the induced air flotation unit, and performing calibration on the effluent meter assuring proper discharge billing.

Capital Projects: BSY proposes an all-encompassing project management system to handle capital improvements at Alameda Point. The system shall start with identification through the utilization of the Inspectors and the MP2 system. Data shall be gathered from the field and provided to BSY's Contract and Engineering Departments. These departments will work together to formulate a technical work proposal for repairs providing a detailed scope of work and drawings. Once developed, the BSY estimators will compile an Engineer's Estimate on which to evaluate bids. This entire package shall be provided to PM Realty for approval, and once the RFP is made public, BSY shall be responsive to bidder questions and issuing amendments. Upon close of the RFP submittal stage, BSY will logically and strategically evaluate bids, submitting their recommendations to PM Realty for approval. When the contract goes live, BSY has project managers and contract administrators to run and oversee the project, overseeing budgets, schedules and invoicing. From the very beginning to the bitter end, BSY can support PM Realty on any capital improvement projects at Piers 1-3 at Alameda Point.

B. DESCRIPTION OF ORGANIZATION

Project Organizational Chart: The chart below outlines the key personnel dedicated to the Alameda Point Port Management Project and their responsibilities. Resumes are included in Appendix 1.



Port Manager: Alan Cameron will be responsible for the overall management of Piers 1-3 at Alameda Point. Mr. Cameron has successfully organized and expanded BSY's waterfront repair facility during his career, bringing the vision of the 21st Century Shipyard. By utilizing this key player at Alameda Point, the site will see the same continual improvement which has driven BSY.

Operations Manager: Don Mitchell, BSY's Fleet Service Division Manager, will oversee day to day operations at the Piers. Mr. Mitchell has many years of practical experience in running repair jobs and has developed a relationship with MARAD and their vessel managers at Alameda Point. Mr. Mitchell can insure that work is being completed to good marine practice repair standards and provide technical knowledge for repair solutions.

Environmental Health and Safety (EHS) Manager: Chad Peddy has successfully mitigated environmental risk at BSY's shipyard in Alameda, resulting in no fines or citation for the organization. His vast knowledge of regulations and environmental procedures makes him a valuable asset to BSY. Mr. Peddy will develop and implement procedures to lawfully, safely and efficiently manage not only the waterfront property, but the BOWTS.

Contract Administrator: Ali Whalen will ensure all contractual obligations are met in a timely manner, including invoicing, subcontracts, etc. Ms. Whalen will compile routine maintenance summary reports for PM Realty.

Alameda Point Inspectors: These employees shall have the technical skills to perform all routine maintenance and operation tasks for the facility. Additionally, BSY can readily provide a wide variety of technical trades to assist in any repairs or other functions as needed at Alameda Point. Full time equipment operators, riggers, electricians, painters, pipefitters, welders, carpenters and machinists are employed by BSY. This valuable resource will be used to identify and solve problems in a timely manner.

Bilge and Oily Water Treatment System (BOWTS) Operator: The BOWTS Operator assigned to running the system day to day has over 10 years' experience managing the handling and processing of shipboard oily waters.

Facilities Maintenance Manager: Carl Keeney has effectively and efficiently managed BSY's 13 acre shipyard site, and all utilities and equipment on the site by successfully implementing a computerized work order management system, MP2. Mr. Keeney has successfully managed the maintenance of BSY's Alameda shipyard, and now is leading an effort to expand existing shops and warehouses to further meet the growing need of the customer.

C. ORGANIZATION QUALIFICATIONS

Bay Ship & Yacht offers shipyard facility management experience, a high level of technical competence and the requisite knowledge of technical standards and customer requirements essential for the successful management of the Piers 1-3 at Alameda Point.

Organization Overview: BSY was founded in 1977 and today is a full service ship repair company, committed to providing the finest, most experienced craftsmen and service in the ship repair industry. We operate a 13-acre shipyard in Alameda California complete with two piers, two floating drydocks, a Syncrolift (with 1,400 lineal feet of on-rail dry berth), fabrication, machine, propeller, pipe, carpentry, and paint shops, as well as warehouse and office space.

BSY's technical experience includes the following:

- A broad range of vessel repair and maintenance projects, including new construction and all aspects of vessel repair and maintenance.
- Coatings preparation and application for steel and aluminum structures, all meeting SSPC QP-1 requirements.
- Complex systems overhaul and installations, including the full range of electrical, piping and mechanical systems.
- Design and engineering of many of our facility infrastructure improvement projects.
- Designated team of Environmental Health and Safety Professionals oriented to prevention and trained in response.
- Personnel dedicated to contract and estimation development and management.
- Experienced project managers, specializing in schedule, budget and labor management.

Facilities Management: BSY has managed all aspects of operations, maintenance and improvements of our shipyard facility at 2900 Main Street, Alameda for the past 20 years.

Seeking to maximize the use of the land, BSY initiated a massive undertaking to reconstitute waterfront space to support 1,400 lineal feet of rails on which to position vessels for out of water repairs. This large capital improvement project required significant internal management to oversee engineering, development and securing approvals, followed by the eventual building of this rail system. As a result of the successful completion of this project, BSY nearly quadrupled the number of vessels which could be serviced at any given time. Below are photos of this project.



Last year BSY acquired an additional 651,000 square feet of yard space and 112,000 square feet of shop, warehouse and office space at 2900 Main Street Alameda (formerly Alameda Gateway property). Alameda Commercial Properties (ACP) was created to oversee the management and leasing of this space.

To date, renovations for rental property have included roofing, new flooring and painting of the buildings. Business is conducted with 28 tenants and is continually growing. BSY's own shops are expanding as well, creating space to train first-class welders and expanding shops capabilities through the purchase of new machines to meet growing customer needs.

MP2 Program: With the expansion of yard capabilities and equipment, BSY needed a system which could facilitate the tracking of routine maintenance and repair work orders. By choosing and customizing a computerized maintenance management system (CMMS), BSY employees were better able to track valuable organizational assets. This program allows us to efficiently track everything from company vehicle oil changes to customer office setup by electronically delivering work orders to employees responsible for the work completion. The MP2 system has streamlined maintenance by automating work order delivery, helping to ensure regular maintenance is occurring, thereby minimizing the frequency and cost of corrective repairs.

MARAD Fleet Service: Since the arrival of the MARAD vessels at Alameda Point, BSY's own Fleet Services has provided repair and connection services. This work has included piping repairs, bilge cleaning, internal rebuilds and crane assistance to make utility connections. Fleet Services has had a long standing relationship with both with MARAD and the vessel managers.

US Navy: BSY maintains a Master Ship Repair Agreement to perform work aboard US Navy vessels. During the Navy's residence at Naval Air Station Alameda, BSY's yard supported repairs aboard the USS Carl Vinson, USS Abraham Lincoln and their respective support vessels.

Commercial Work: BSY has worked with both NRC and Power Engineering, current commercial tenants at Alameda Point. The shipyard has performed routine repairs on the vessels and equipment of these companies, providing excellent quality and customer service. BSY is able to provide NRC with technical representatives at their site to assist with a variety of routine maintenance and inspections required for their oil spill response vessels. The close proximity of BSY's shipyard to these customers allows for quality workmanship at competitive rates. Recently, BSY drydocked one of Power Engineering's barges performing steel repairs and new underwater and freeboard coatings.

Oil Spill Contingency Plan: BSY currently has a Marine Fueling Facility Oil Spill Response Plan (S2-01-0007) that has been written to meet all of the emergency response preparedness and notification requirements set forth in the California Regulations Title 14, Division 1, Subdivision 4. Office of Oil Spill Prevention and Response, Subchapter 3 Sections 815, 816 and 817. BSY has had this plan without ever receiving a fine.

Oil Water Separation System: BSY has successfully designed, built and currently operates a system similar to the on-site system at Alameda Point. Our organization has successfully trained employees in the safe and efficient operation of the OWTS and shall use this existing resource to insure proper operation and maintenance of the BOWTS at Alameda Point.

BSY's OWTS is located at our Alameda shipyard. The heart of the OWTS is the Gravity Separation Chamber where water and solids are extracted from the mixed oils, outputting a hydrocarbon product. The OWTS is regulated for mixed oils storage and treatment through Alameda County Department of Public Health, air quality through Bay Area Air Quality Management District and waste water discharge through East Bay Municipal Utility District. Throughout the operation of the OWTS BSY has been inspected many times with the varying agencies and has not received any violations.

D. SCOPE OF WORK

BSY proposes to perform the following work to fulfill the requirements outlined in Exhibits A-1 and A-2 of the RFP. BSY also acknowledges the receipt of Addendum 1, reference Appendix 9 for required documentation.

1. Berthing Services:

- Develop a layberth security plan per Captain of the Port requirements.
- Provide (1) 4 cubic yard dumpster within 100 feet of the gangway or stern ramp of each vessel. Dumpster to be serviced weekly.
- Provide PM Realty with a monthly vessel arrival/departure schedule.

2. Utility Connections:

- Coordinate with vessel to provide labor to connect or disconnect the shore power cables to the receptacle on the pier and the vessel. BSY shall insure shore power cables are available. Maximum of (20) connections or disconnections per year.
- Coordinate with vessel to provide labor to connect or disconnect vessel's potable water hose to the potable water fitting on the pier. Maximum of (20) connections or disconnections per year.
- Coordinate with vessel to provide labor to connect or disconnect the sanitary sewer hose to the sewage fittings on the pier and the vessel. BSY shall insure a sanitary sewer hose is available. Maximum of (20) connections or disconnections per year.
- Coordinate with vessel to provide labor to connect or disconnect the vessel's telephone line to the junction box on the pier. Proposal is for a maximum of (20) connections or disconnections per year.
- Crane service is not included.

3. Brows and Platforms:

- Coordinate with vessel to provide labor to move brows as necessary for MARAD vessels and the Hornet. Maximum of (20) movements per year.
- Includes required forklift service to assist in positioning.

4. Boom Equipment:

- **4A Boom Equipment Maneuver**
 - Coordinate with MARAD to provide labor and a work boat to maneuver boom equipment for vessel arrivals and departures. Maximum (20) maneuvering deployments per year.
 - Item includes the cost to provide, operate and maintain a work boat.
- **4B Maintain Boom Equipment**
 - Haul out (2) booms per year, includes crane assistance.
 - Transport boom to and from BSY's Alameda shipyard.
 - High pressure fresh water wash the boom.
 - Inspect boom and provide report on condition.

5. Pier and Wharf Cleanliness:

- Develop a pier and wharf cleanliness policy.
- Mechanically sweep piers and surrounding areas monthly.
- Includes transportation of sweeper from BSY's Alameda shipyard.
- Routinely patrol for abandoned items and arrange for disposal.

6. Parking Control:

- Develop a parking policy.
- Enforce policy through weekly inspection patrols.

7. Channel Surveys:

- Subcontract a surveyor to perform channel surveys (2) times a year of the area immediately surrounding the Piers and the access channel out to channel markers "1" and "2" that mark the western end of the access channel to the Piers.
- Provide electronic copies of the sounding chart.
- A sample survey chart is provided in Appendix 3.

8. Harbor Patrols:

- Perform boat patrols of the harbor waters surrounding the MARAD vessel and the Hornet. Patrols shall occur twice daily during normal Monday through Friday workweek, excluding holidays.
- Perform boat patrols of the FISC Wharf and Seaplane Lagoon once a month.
- Utilize MP2 to develop task orders for boat patrols to verify compliance with City, State and Federal waterway laws.
- Item includes the cost to provide, operate and maintain a work boat.

9. Spill Response:

- See 10. Initial Spill Response and 11. Oil Spill Contingency Plan for the work to be performed.

10. Initial Spill Response:

- All BSY staff, through current safety training, fulfill the requirements for a First Responder Awareness Level as described in 29 CFR 1910.120(6)(i).
- Install and maintain (6) spill boxes on Piers 1-3. One box located at the foot and one box located at the head of each pier.

11. Oil Spill Contingency Plan:

- Lead a risk and hazard analysis audit of Piers 1-3 at Alameda Point to evaluate the potential impacts and prevention resources currently available on site.
- Use the data from the risk and hazard analysis audit to develop an Oil Spill Contingency Plan for Piers 1-3 at Alameda Point.
- Perform drills as required by the Office of Spill Prevention and Response (OSPR).
- Participate in an annual table top plan review with OSPR.
- Develop a USCG required Operations Manual.
- File the Operations Manual and Oil Spill Contingency Plan with the US Coast Guard, Department of Fish and Wildlife and the State Lands Commission.

12. No Financial Responsibility:

- BSY accepts the agreement as written.

13. Port Maintenance:

- See 14. Pier Maintenance for the work to be performed.

14. Pier Maintenance:

- Utilizing MP2 system, perform monthly visual inspections of the pier utilities, to include:
 - Shore power cables, receptacles and panels.
 - Sewage hoses, fittings, piping and tanks.
 - Potable water fittings, valves and piping.
 - Above ground telephone lines.
 - Pier light fixtures.
- Perform monthly waterborne visual inspections of the underside of the piers.
- Includes the cost to provide, operate and maintain a work boat.
- Maintain the proper location of the oil booms around the vessels.
- Perform megger testing on shore power cable upon vessel departure. Maximum testing of (10) sets of cables each year. Provide a report on cable condition.
- Perform annual FDA required certification on maximum of (13) potable water backflow units. Maintain documentation for these units.
- Perform monthly meetings with MARAD vessel managers, see Appendix 4 for a sample monthly meeting agenda.
- Provide monthly summary conditional reports on utilities and any maintenance recommendations to PM Realty.

15. Fendering, Mooring and Booming Systems:

- Utilize MP2 system to perform monthly visual inspection of the fendering, mooring and booming systems.

16. Maintenance and Repair Standard:

- Perform an initial site inspection report to establish a baseline condition at the start of the contract, includes:
 - Lighting survey to establish foot-candle baseline.
 - Number and condition of utilities and connections.
 - Number and condition of potable water backflow units.
 - Number and condition of booming equipment.
 - Number and condition of brows and platforms.
 - Visually record condition of pier pavement.
 - Visually record condition of fencing.
- Although the price is not included in this proposal, BSY recommends Power Engineering to perform a detailed conditional survey for the fendering and mooring systems.

17. Capital Projects:

- Provide information on potential capital projects via monthly conditional reports.
- If requested, on a project management time and material basis (Bid Form, table 1, section III), provide personnel to develop a detailed repair recommendation.
- If requested, on a project management time and material basis (Bid Form, table 1, section III), compile an Engineer's Estimate on which to evaluate bids.

18. Optional Crane Services:

- BSY accepts the agreement as written.

19. Work Boat Berthing:

- PM Realty is to provide BSY with adequate berthing for the work boat required for harbor patrols and boom movements.

E. COST PROPOSAL

See Appendix 5 Bid Form.

F. REFERNECES AND RELATED EXPERIENCE

BSY has a proven track record of successful performance on a broad range of projects. Below are client references, letters of recommendation can be found in Appendix 8:

Fisher Construction Group

Contact Name -	Dan Powers, President, CEO
Contact Number -	(360) 757-4094
Address -	625 Fisher Lane Burlington, WA 98233
Project Description-	Provided construction management oversight of BSY's syncrolift installation.

Manson Construction

Contact Name -	William Cook, Contracts Manager
Contact Number -	(206) 762-0550
Address -	5209 E Marginal Way South Seattle, WA 98134
Project Description-	BSY has working with Manson to fabricate ferry passenger floats, as well as providing regular marine vessel repair service.

Ocean Dutchess, Inc

Contact Name -	Tom Schneider, Port Engineer
Contact Number -	(510) 749-7125
Address -	16211 Park Ten Place Houston, TX 77084-5113
Project Description-	BSY has worked with Ocean Dutchess to perform repairs aboard MARAD Ready Reserve vessel at Alameda Point.

Power Engineering Construction Co.

Contact Name -	David Mik, President
Contact Number -	(415) 559-0097
Address -	1501 Viking Street, Suite 200 Alameda, CA 94501
Project Description-	BSY has maintained and modified Power Engineering's vessels and equipment.

Walther Engineering Services

Contact Name -	Charlie Walther, Owner
Contact Number -	(415) 454-7045
Address -	41 Bay Way San Rafael, CA 94901-2474
Project Description-	BSY has worked with Charlie on numerous projects for the City of Alameda, WETA and the San Francisco Bay passenger ferries.

G. RULES GOVERNING SELECTION

BSY acknowledges receipt of this information.

BUDGET

Alameda Point - Port Management Services and Cost Estimates for Piers 1-3, Alameda Point

Bid Item	Cost Code	Description of work	Unit of Measure	Estimated Quantity	Unit Price	Bid Price
TABLE I Post Management Services						
		I. Monthly Fee for Services based on Exhibits A-1 and A-2 of Request for Proposal:				
		For all scope of work items	per month	24	\$51,695.00	\$1,240,680.00
		II. Fees for management, maintenance, and operation of the Bilge and Oily Wastewater System Treatment System (BOWTS)				
		For management, maintenance, and operation	per month	24	0	0
		III. Fees for additional Services				
		Labor Rate - Straight Time	per hour		\$95.00	
		Labor Rate - Overtime	per hour		\$142.50	
		Labor Rate - Double time	per hour		\$190.00	
		Material and Subcontractor Mark-Up			25.00%	
		Project Management	per hour		\$160.00	
Sub-total						
TABLE II Add Alternate						
		n/a				
Sub-Total Add Alternate			0			
Total (Table I, II)						
Alameda Point - Port Management Services and Cost Estimates for Piers 1-3, Alameda Point				24	\$51,695.00	\$1,240,680.00



CERTIFICATE OF LIABILITY INSURANCE

BAYSHIP-01

STACEYK

DATE (MM/DD/YYYY)

2/17/2016

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 Durham and Bates Agencies, Inc. 720 SW Washington St. Ste250 Portland, OR 97205	CONTACT NAME: Katrina Green PHONE (A/C, No, Ext): E-MAIL: katrinag@dbates.com ADDRESS: INSURER(S) AFFORDING COVERAGE INSURER A: Subscription INSURER B: West American Insurance Company INSURER C: Starr Indemnity & Liability Co. INSURER D: Great American Insurance Co. INSURER E: Am Longshore Mutual Assn INSURER F: Underwriters at Lloyd's London	FAX (A/C, No): (503) 542-0655 NAIC # 44393 38318 22136 15792
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INSURED
Bay Maritime Corporation
Bay Ship & Yacht Co.
2900 Main Street #2100
Alameda, CA 94501

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 INSD VWD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Shiprepairers Legal GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:		PDB52107	05/01/2015	05/01/2016	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
B	<input checked="" type="checkbox"/> 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		BAW(16)56030427	05/01/2015	05/01/2016	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$		MASILSF00001315	05/01/2015	05/01/2016	EACH OCCURRENCE \$ 9,000,000 AGGREGATE \$ 9,000,000
D	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 <input type="checkbox"/> N/A	WC426064100	05/01/2015	05/01/2016	PER STATUTE 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
E	US Longshore/Harbor		ALMA00709-05	05/01/2015	05/01/2016	Limits: Statutory
F	Errors & Omissions		HPL140066	05/01/2015	05/01/2016	Each Claim/Aggregate 1,000,000

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

Marine General Liability/Shiprepairers Legal Liability Insurers: Endurance Risk Solutions Assurance Co. (NAIC #43630) and Catlin Indemnity Co. (NAIC #24503)

City of Alameda, Alameda City Council, their respective Boards, Commissions, Officers, Employees and volunteers, additional insured per the attached. Marine General Liability/Shiprepairers Legal Liability: Endorsement 2 - Additional Assured and Waiver of Subrogation Endorsement; Endorsement 1 - Primary and Non-Contributory Insurance
Auto: Form CA 88 10 01 13 - Additional Insured by Contract, Agreement or Permit

CERTIFICATE HOLDER**CITY OF ALAMEDA**
Risk Management**CANCELLATION**City of Alameda
2263 Santa Clara Ave
Alameda, CA 94501

Lucretia Akil, City Risk Manager

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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ENDORSEMENT NO.: 2
EFFECTIVE: May 1, 2015 12:01 A.M., PDT
ATTACHED TO AND FORMING PART OF POLICY NO.: PDB52107 ✓
ISSUED TO: Bay Maritime Corporation, et al

ADDITIONAL ASSURED AND WAIVER OF SUBROGATION ENDORSEMENT

It is agreed that the Company waives its right of subrogation against any person or organizations to whom the Named Assured is obligated by contract to provide such waiver, but only to the extent of such obligation and only with respect to operations by or on behalf of the Named Assured or to the facilities of or used by the Named Assured.

It is further agreed that to the extent that the Named Assured is obligated by contract to name any person or organization as additional assureds hereunder, the Company agrees that such persons or organizations shall be considered as Additional Assureds but only with respect to operations performed by or on behalf of the Named Assured or to the facilities of or used by the Named Assured.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS REMAIN UNCHANGED.

CITY OF ALAMEDA
Risk Management

Date 2-24-16
Lucretia Aki, City Risk Manager

ENDORSEMENT NO.: 1

EFFECTIVE: May 1, 2015 12:01 A.M., PDT

ATTACHED TO AND FORMING PART OF POLICY NO.: PDB52107

ISSUED TO: Bay Maritime Corporation, et al

PRIMARY AND NON-CONTRIBUTORY INSURANCE ✓

It is understood and agreed that, when required by a written contract, this policy shall be the principal coverage as respects the liabilities of the Named Assured and any other insurance carried by an Additional Assured shall not be contributory as respects the liabilities of the Named Assured, nor shall the Additional Assured be responsible for any premium hereunder.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS REMAIN UNCHANGED.

CITY OF ALAMEDA
Risk Management

Date 2-24-16
Lucretia Akil, City Risk Manager

- (2) If the Limits of Insurance of any other insurance policy have been exhausted; or
- (3) To "bodily injury" or "property damage" that occurred before you acquired or formed the organization.

2. EMPLOYEES AS INSURED

SECTION II - LIABILITY COVERAGE, paragraph A.1. - WHO IS AN INSURED is amended to include the following as an insured:

- f. Any "employee" of yours while using a covered "auto" you do not own, hire or borrow, but only for acts within the scope of their employment by you. Insurance provided by this endorsement is excess over any other insurance available to any "employee".
- g. An "employee" of yours while operating an "auto" hired or borrowed under a written contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business and within the scope of their employment. Insurance provided by this endorsement is excess over any other insurance available to the "employee".

3. ADDITIONAL INSURED BY CONTRACT, AGREEMENT OR PERMIT

SECTION II - LIABILITY COVERAGE, paragraph A.1. - WHO IS AN INSURED is amended to include the following as an insured:

- h. 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 in a written contract, agreement, or permit issued to you by governmental or public authority, to add such person, or 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";
- (2) Only for "bodily injury" or "property damage" caused by an "accident" which takes place after you executed the written contract or agreement, or the permit has been issued to you; and
- (3) Only for the duration of that contract, agreement or permit

4. SUPPLEMENTARY PAYMENTS

SECTION II - LIABILITY COVERAGE, Coverage Extensions, 2.a. Supplementary Payments, paragraphs (2) and (4) are replaced by the following:

- (2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the insured at our request, including actual loss of earnings up to \$500 a day because of time off from work.

5. AMENDED FELLOW EMPLOYEE EXCLUSION

In those jurisdictions where, by law, fellow employees are not entitled to the protection afforded to the employer by the workers compensation exclusivity rule, or similar protection, the following provision is added:

SECTION II - LIABILITY, exclusion B.5. FELLOW EMPLOYEE does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire.

SECTION III - PHYSICAL DAMAGE COVERAGE is amended as follows:

6. HIRED AUTO PHYSICAL DAMAGE

Paragraph A.4. Coverage Extensions of SECTION III - PHYSICAL DAMAGE COVERAGE, is amended by adding the following:

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

- a. You hire, rent or borrow; or

CITY OF ALAMEDA

53 Risk Management

Date

Lucretia Akil, City Risk Manager

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To the extent possible, notice to us should include:

- (1) How, when and where the "accident" or "loss" took place;
- (2) The "insureds" name and address; and
- (3) The names and addresses of any injured persons and witnesses.

20. **WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

SECTION IV - BUSINESS AUTO CONDITIONS, paragraph A.5., Transfer of Rights of Recovery Against Others to Us, is amended by the addition of the following:

If the person or organization has waived those rights before an "accident" or "loss", our rights are waived also.

21. **HIRED AUTO COVERAGE TERRITORY**

SECTION IV - BUSINESS AUTO CONDITIONS, paragraph B.7., Policy Period, Coverage Territory, is amended by the addition of the following:

- f. For "autos" hired 30 days or less, the coverage territory is anywhere in the world, provided that the insured's responsibility to pay for damages is determined in a "suit", on the merits, in the United States, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

This extension of coverage does not apply to an "auto" hired, leased, rented or borrowed with a driver.

SECTION V - DEFINITIONS is amended as follows:

22. **BODILY INJURY REDEFINED**

Under SECTION V - DEFINITIONS, definition C. is replaced by the following:

"Bodily injury" means physical injury, sickness or disease sustained by a person, including mental anguish, mental injury, shock, fright or death resulting from any of these at any time.

COMMON POLICY CONDITIONS

23. **EXTENDED CANCELLATION CONDITION**

COMMON POLICY CONDITIONS, paragraph A. - CANCELLATION condition applies except as follows:

If we cancel for any reason other than nonpayment of premium, we will mail to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation. This provision does not apply in those states which require more than 60 days prior notice of cancellation.

CITY OF ALAMEDA
Risk Management
Date 2-24-16
Lucretia Akil, City Risk Manager