

RESOLUTION NO. 4309

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD
AUTHORIZING THE CITY MANAGER TO ACCEPT THE PROPOSAL FROM
MORELAND TEMPORARY SERVICES FOR INTERIM FINANCE DIRECTOR
STAFFING SERVICES AND TO PREPARE AND EXECUTE AN APPROPRIATE
CONTRACT FOR SERVICES**

WHEREAS, the City of Soledad's Finance Director left employment in June 2008; and

WHEREAS, the City's Accountant has carried the immense workload of the department as Acting Finance Director; and

WHEREAS, the City has begun the recruiting process for Finance Director; and

WHEREAS, the City Manager recommends hiring a retired Finance Director who possesses the experience and skill to staff the department's operations while recruiting is underway; and

WHEREAS, it will be four months or more before a new Finance Director is selected.

NOW THEREFORE, BE IT HEREBY RESOLVED that the City Council of the City of Soledad hereby authorizes the City Manager to accept the proposal from Moreland Temporary Services for Interim Finance Director Staffing Services, for an amount not to exceed \$100,000 (one hundred thousand dollars). Additionally, the City Manager is hereby authorized and directed to prepare (with City Attorney assistance) and execute an appropriate contract for services with Moreland.

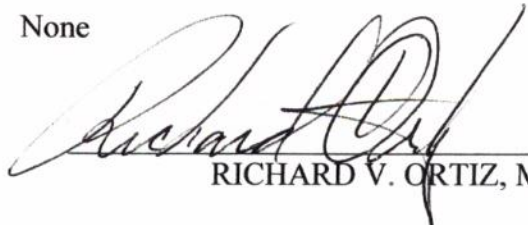
PASSED AND ADOPTED by the City Council of the City of Soledad at a regular meeting duly held on the 19th day of November, 2008, by the following vote:

AYES, and in favor thereof, Councilmembers: Juan Saavedra, Mayor Pro Tem Christopher Bourke, Mayor Richard Ortiz

NOES, Councilmembers: None

ABSENT, Councilmembers: Martha Camacho, Patricia Stephens

ABSTAIN, Councilmembers: None


RICHARD V. ORTIZ, Mayor

ATTEST:


ADELA P. GONZALEZ, City Clerk

**CONSULTING SERVICES AGREEMENT BETWEEN
THE CITY OF SOLEDAD AND
MORELAND TEMPORARY SERVICES**

THIS AGREEMENT for consulting services is made by and between the City of Soledad ("City") and Moreland & Associates ("Consultant") as of December 8, 2008.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work below:

- 1.1 **Scope of Services.** Consultant shall provide City expert finance consultancy in the areas of financial management, reporting and systems and write administrative financial policies and procedures.
- 1.2 **Term of Services.** The term of this Agreement shall begin on December 8, 2008 and shall end no later than December 7, 2009.
- 1.3 **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent public sector executive financial practitioner. Consultant shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Consultant's profession.
- 1.3 **Assignment of Personnel.** Consultant shall not assign any personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the assignment of any such persons, Consultant shall, immediately upon receiving notice from City of such desire of City, assign such person or persons.
- 1.4 **Time.** Consultant shall devote only the time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.1 above and to satisfy Consultant's obligations hereunder.

Section 2. COMPENSATION.

- 2.1 **Hourly Fee.** City hereby agrees to pay Consultant a sum not to exceed \$148.00 per hour, for all hours approved by the City Manager, or her designee. In no case shall the consultant work more than ten (10 hours in a day, or forty (40) hours in a work week.
- 2.2 **Mileage Reimbursement.** City shall reimburse Consultant for round trip mileage from Uma Chokkalingam's home (address) to Soledad City Hall (248 Main Street, Soledad, CA) , per Mapquest.com, no more than once per week.

- 2.3 **Housing.** In lieu of a housing allowance, City shall provide housing either at the city-owned house, or other mutually agreeable housing to consultant.
- 2.4 **Other Compensation.** Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's fee for providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.
- 2.5 **Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:
- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
 - The beginning and ending dates of the billing period;
 - A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
 - At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
 - The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder, as well as a separate notice when the total number of hours of work by Consultant and any individual employee, agent, or subcontractor of Consultant reaches or exceeds 500 hours, which shall include an estimate of the time necessary to complete the work described in Scope of Work above;
 - The Consultant's signature.
- 2.6 **Monthly Payment.** City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.
- 2.7 **Final Payment.** City shall pay the last payment pursuant to this Agreement within sixty (60) days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.

2.8 **Total Payment.** City shall pay for the services to be rendered by Consultant pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.

2.9 **Payment of Taxes.** Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.

2.9.1 **Payment upon Termination.** In the event that the City or Consultant terminates this Agreement pursuant to Section 8, the City shall compensate the Consultant for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets in order to verify costs incurred to that date.

2.9.2 **Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the City Manager.

Section 3. **FACILITIES AND EQUIPMENT.** City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4. **INSURANCE REQUIREMENTS.** Before beginning any work under this Agreement, Consultant, at its own cost and expense, shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant and its agents, representatives, employees, and subcontractors. Consultant shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the City. Consultant shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid. Consultant shall not allow any subcontractor to commence work on any subcontract until Consultant has

obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution.

- 4.1 **Workers' Compensation.** Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than one million \$1,000,000.00 (one million dollars) per accident. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the City Manager. The insurer, if insurance is provided, or the Consultant, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Consultant shall notify City within fourteen (14) days of notification from Consultant's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

4.2 **Commercial General and Automobile Liability Insurance.**

4.2.1 **General requirements.** Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than \$1,000,000 (one million dollars) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting there from, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 **Minimum scope of coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 or GL 0002 (most recent editions) covering comprehensive General Liability and Insurance Services Office form

number GL 0404 covering Broad Form Comprehensive General Liability. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 8 and 9. No endorsement shall be attached limiting the coverage.

4.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. City and its officers, elected and appointed officials, employees, agents, and volunteers shall be covered as additional insured's with respect to each of the following: liability arising out of activities performed by or on behalf of Consultant, including the insured's general supervision of Consultant; products and completed operations of Consultant; premises owned, occupied, or used by Consultant; and automobiles owned, leased, or used by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the City and its officers, elected and appointed officials, employees and volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.
- d. Any failure of Consultant to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, elected and appointed officials, employees, agents, and volunteers.
- e. An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Consultant shall notify City within fourteen (14) days of notification from Consultant's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

4.3 Professional Liability Insurance. Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than \$1,000,000 (one million dollars) covering the licensed professionals' errors and omissions.

- 4.3.1 Any deductible or self-insured retention shall not exceed \$150,000 (one hundred fifty thousand dollars) per claim.
- 4.3.2 An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.
- 4.3.3 The policy must contain a cross liability or severability of interest clause.
- 4.3.4 The following provisions shall apply if the professional liability coverage's are written on a claims-made form:
- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
 - b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
 - c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant must provide extended reporting coverage for a minimum of five (5) years after completion of the Agreement or the work. The City shall have the right to exercise, at the Consultant's sole cost and expense, any extended reporting provisions of the policy, if the Consultant cancels or does not renew the coverage.
 - d. A copy of the claim reporting requirements must be submitted to the City prior to the commencement of any work under this Agreement.

4.4 **All Policies Requirements.**

- 4.4.1 **Acceptability of insurers.** All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.
- 4.4.2 **Verification of coverage.** Prior to beginning any work under this Agreement, Consultant shall furnish City with certificates of insurance and with original endorsements effecting coverage required herein. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

4.4.3 Subcontractors. Consultant shall include all subcontractors as insured's under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage's for subcontractors shall be subject to all of the requirements stated herein.

4.4.4 Variation. The City may approve a variation in the foregoing insurance requirements, upon a determination that the coverage's, scope, limits, and forms of such insurance are either not commercially available, or that the City's interests are otherwise fully protected.

4.4.5 Deductibles and Self-Insured Retentions. Consultant shall disclose to and obtain the approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.

During the period covered by this Agreement, only upon the prior express written authorization of City Manager, Consultant may increase such deductibles or self-insured retentions with respect to City, its officers, elected and appointed officials, employees, agents, and volunteers. The City Manager may condition approval of an increase in deductible or self-insured retention levels with a requirement that Consultant procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

4.4.6 Notice of Reduction in Coverage. In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Consultant shall provide written notice to City at Consultant's earliest possible opportunity and in no case later than five days after Consultant is notified of the change in coverage.

4.5 Remedies. In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Consultant's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or

- Terminate this Agreement.

Section 5.

INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

Consultant shall indemnify, defend with counsel selected by the City, and hold harmless the City and its officials, elected and appointed officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Consultant or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Consultant shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Consultant or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Section 6.

STATUS OF CONSULTANT.

- 6.1 Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement. Notwithstanding any other City, state, or

federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits.

- 6.2 **Consultant No Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.
- 6.3 **Limitation to City Hiring.** City shall not hire any Moreland employee for city employment prior to one (1) year from the date contract services commenced.

Section 7. LEGAL REQUIREMENTS.

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Consultant and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 **Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that is legally required to practice their respective professions. Consultant represents and warrants to City that Consultant and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid Business Licenses from City.
- 7.5 **Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any

services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Consultant shall include the provisions of this Subsection in any subcontract approved by the City Manager or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

8.1 Termination. City may cancel this Agreement at any time and without cause upon written notification to Consultant.

Consultant may cancel this Agreement upon seven (7) days written notice to City and shall include in such notice the reasons for cancellation.

In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement.

8.2 Extension. City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Consultant understands and agrees that, if City grants such an extension, City shall have no obligation to provide Consultant with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the City Manager, City shall have no obligation to reimburse Consultant for any otherwise reimbursable expenses incurred during the extension period.

8.3 Amendments. The parties may amend this Agreement only by a writing signed by all the parties.

8.4 Assignment and Subcontracting. City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the City Manager. Consultant shall not subcontract any portion of the performance contemplated and

provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the City Manager.

8.5 Survival. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant shall survive the termination of this Agreement.

8.6 Options upon Breach by Consultant. If Consultant materially breaches any of the terms of this Agreement, City's remedies shall included, but not be limited to, the following:

8.6.1 Immediately terminate the Agreement;

8.6.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;

8.6.3 Retain a different consultant to complete the work described in Exhibit A not finished by Consultant; or

8.6.4 Charge Consultant the difference between the costs to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 Records Created as Part of Consultant's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both parties.

9.2 Consultant's Books and Records. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three

(3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.

- 9.3 **Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds \$10,000.00 (ten thousand dollars), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Monterey or in the United States District Court for the Ninth District of California.
- 10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.
- 10.6 **Use of Recycled Products.** Consultant shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 **Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined

in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Consultant hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Consultant was an employee, agent, appointee, or official of the City in the previous twelve months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

10.8 Solicitation. Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

10.9 Contract Administration. This Agreement shall be administered by Adela P. Gonzalez ("City Manager"). All correspondence shall be directed to or through the City Manager or his or her designee.

10.10 Notices. Any written notice to Consultant shall be sent to:

Sherry Harton,
Moreland Temporary Services
1201 Dove Street Suite 680
Newport Beach, California 92660

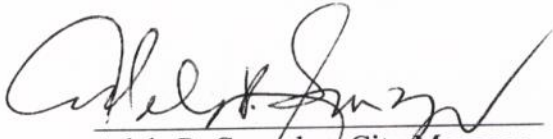
Any written notice to City shall be sent to:

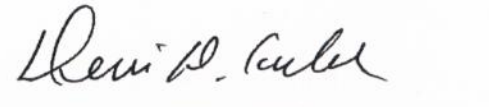
Adela P. Gonzalez, City Manager
City of Soledad
248 Main Street
Soledad, California 93908

10.11 Integration. This Agreement represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral.

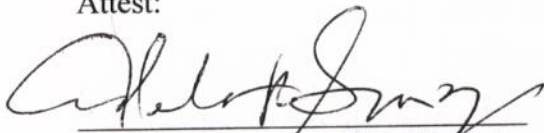
CITY OF SOLEDAD

CONSULTANT

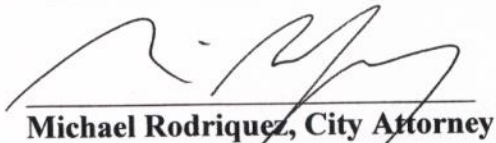

Adela P. Gonzalez, City Manager


Denise D. Callahan, Partner

Attest:


Adela P Gonzalez, City Clerk

Approved as to Form:


Michael Rodriguez, City Attorney

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/3/2008

PRODUCER (916) 231-1741
Vells Fargo of California Insurance Services, Inc.
CA DOI LIC #0352275
1100 Coblerock Drive, Suite 100
Rancho Cordova, CA 95670

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Macias Gini & O'Connell LLP and Macias Consulting Group
Moreland Temporary Services, a division of Macias Gini & O'Connell, LLP
3000 S Street, Suite 300
Sacramento, CA 95816-7055

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: American Automobile Insurance Company	
INSURER B: Everest National Insurance	
INSURER C: Beazley USA	
INSURER D:	
INSURER E:	

COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

NSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A X	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 checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	AZC80825971	4/30/2008	4/30/2009	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS GARAGE LIABILITY <input type="checkbox"/> ANY AUTO	AZC80825971	4/30/2008	4/30/2009	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC AGG \$
A	EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$	AZC80825971	4/30/2008	4/30/2009	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 2,000,000 \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	CA20011402081	4/30/2008	4/30/2009	<input checked="" type="checkbox"/> WC STATU-TORY 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	Employment Practices Liability	V15LWT08PNTE	5/1/2008	5/1/2009	Aggregate/Claim \$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

City of Soledad named additional insured per attached AB9198 05/99.
*10 day notice applies if cancelled for non-payment of premium.

CERTIFICATE HOLDER

City of Soledad
248 Main Street
Soledad, CA 93960-

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE 

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/3/2008

PRODUCER (916) 231-1741
Nells Fargo of California Insurance Services, Inc.
CA DOI LIC #0352275
11017 Cobblerock Drive, Suite 100
Sacramento, CA 95816

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Macias Gini & O'Connell LLP and Macias Consulting Group
Moreland Temporary Services, a division of Macias Gini & O'Connell, LLP
3000 S Street, Suite 300
Sacramento, CA 95816

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A:	American Automobile Insurance Company	
INSURER B:	Everest National Insurance	
INSURER C:	Beazley USA	
INSURER D:		
INSURER E:		

COVERAGES


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NSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS		
A	X	GENERAL LIABILITY	AZC80825971	4/30/2008	4/30/2009	EACH OCCURRENCE	\$ 2,000,000	
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000	
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$ 10,000	
						PERSONAL & ADV INJURY	\$ 2,000,000	
						GENERAL AGGREGATE	\$ 4,000,000	
						PRODUCTS - COMP/OP AGG	\$ 4,000,000	
						GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC		
A		AUTOMOBILE LIABILITY	AZC80825971	4/30/2008	4/30/2009	COMBINED SINGLE LIMIT (Ea accident)	\$ 2,000,000	
		<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$	
		<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$	
		<input checked="" type="checkbox"/> HIRED AUTOS				PROPERTY DAMAGE (Per accident)	\$	
	<input checked="" type="checkbox"/> NON-OWNED AUTOS							
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$	
		<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: EA ACC AGG	\$	
A		EXCESS/UMBRELLA LIABILITY	AZC80825971	4/30/2008	4/30/2009	EACH OCCURRENCE	\$ 1,000,000	
		<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$ 2,000,000	
		<input type="checkbox"/> DEDUCTIBLE					\$	
		<input checked="" type="checkbox"/> RETENTION \$					\$	
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	CA20011402081	4/30/2008	4/30/2009	<input checked="" type="checkbox"/> WC STATUTORY LIMITS	OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	\$ 1,000,000	
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000	
						E.L. DISEASE - POLICY LIMIT	\$ 1,000,000	
C		Employment Practices Liability	V15LWT08PNTE	5/1/2008	5/1/2009	Aggregate/Claim	\$2,000,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 City of Soledad and its officers, elected and appointed officials, employees, agents and volunteers named additional insured per attached AB9198 05/99.
 *10 day notice applies if cancelled for non-payment of premium.

CERTIFICATE HOLDER
 City of Soledad
 248 Main Street
 Soledad, CA 93960-

CANCELLATION
 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
 AUTHORIZED REPRESENTATIVE





December 22, 2008

Ms. Vicki Duenas, Legal Secretary for
Michael F. Rodriguez, City Attorney
Meyers Nave
555 12th Street, Suite 1500
Oakland, California 94607

RE: CONSULTING SERVICES AGREEMENT MORELAND TEMPORARY SERVICES

Dear Vicki:

Enclosed is the original signed Consulting Services Agreement for Moreland Temporary Services for Uma Chokkalingam, Interim Finance Director. Please have Mike review it and sign and return the original back to me. Please keep a copy for yourself.

If you have any questions, please feel free to call me at 831/223-5012.

Sincerely,

A handwritten signature in cursive script that reads "Lupe".

LUPE A. MARTINEZ
Deputy City Clerk

Enclosures



meyers | nave riback silver & wilson
professional law corporation

Michael F. Rodriguez
Attorney at Law
510.808.2000

RECEIVED

JAN - 7 2009

CITY OF SOLEDAD

January 5, 2009

Lupe A. Martinez
Deputy City Clerk
City of Soledad
P.O. Box 156
Soledad, CA 93926

Dear Ms. Martinez:

Enclosed is the Consulting Services Agreement between the City of Soledad and Moreland Temporary Services "Approved as to form" by Mike Rodriguez, but with his changes noted on the post-it attached.

Very truly yours,



Victoria F. Duenas
Legal Secretary to Michael F. Rodriguez

Enclosure
1183975.1

March 17, 2009

Sara Confer
Consulting Coordinator
Moreland Temporary Services
3000 S Street, Suite 100
Sacramento, California 95816

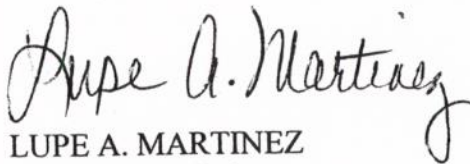
RE: CONSULTING SERVICES AGREEMENT

Dear Ms. Confer:

I am sorry that this agreement was not sent to you in a timely manner. Enclosed is your copy of the signed Consulting Services Agreement approved by the City Council on November 19, 2008. Also enclosed is a certified copy of Resolution No. 4309 *for your files*.

If you have any questions, please feel free to call me at 831/223-5012.

Sincerely,



LUPE A. MARTINEZ
Deputy City Clerk

Enclosure



CORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/3/2008

JCER (916) 231-1741
 s Fargo of California Insurance Services, Inc.
 IOI LIC #0352275
 7 Cobblerock Drive, Suite 100
 h Cordova, CA 95670

ED Macias Gini & O'Connell LLP and Macias Consulting Group
 Moreland Temporary Services, a division of Macias Gini & O'Connell, LLP
 3000 S Street, Suite 300
 Sacramento, CA 95816-7055

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INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: American Automobile Insurance Company	
INSURER B: Everest National Insurance	
INSURER C: Beazley USA	
INSURER D:	
INSURER E:	

TERMS AND COVERAGE

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DD/L ISRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS				
X	GENERAL LIABILITY	AZC80825971	4/30/2008	4/30/2009	EACH OCCURRENCE \$ 2,000,000				
	X COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000				
					CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	MED EXP (Any one person) \$ 10,000			
									PERSONAL & ADV INJURY \$ 2,000,000
									GENERAL AGGREGATE \$ 4,000,000
									PRODUCTS - COMP/OP AGG \$ 4,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:								
X	POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC <input type="checkbox"/>								
	AUTOMOBILE LIABILITY	AZC80825971	4/30/2008	4/30/2009	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000				
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$				
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$				
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$				
	X HIRED AUTOS								
X	NON-OWNED AUTOS								
	TRUCK LIABILITY				AUTO ONLY - EA ACCIDENT \$				
	<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC \$				
					AUTO ONLY: AGG \$				
X	EXCESS/UMBRELLA LIABILITY	AZC80825971	4/30/2008	4/30/2009	EACH OCCURRENCE \$ 1,000,000				
	X OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$ 2,000,000				
						\$			
					DEDUCTIBLE \$				
	X				RETENTION \$				\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	CA20011402081	4/30/2008	4/30/2009	X WC STATUTORY LIMITS OTH-ER				
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT \$ 1,000,000				
	If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE \$ 1,000,000				
	OTHER				E.L. DISEASE - POLICY LIMIT \$ 1,000,000				
	Employment Practices Liability	V15LWT08PNTE	5/1/2008	5/1/2009	Aggregate/Claim \$2,000,000				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

City of Soledad named additional insured per attached AB9198 05/99.
 This certificate is void if no written notice is received by the insurer. A written notice applies if cancelled for non-payment of premium.

CERTIFICATE HOLDER

City of Soledad
 248 Main Street
 Soledad, CA 93960-

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

BC MultiCover - AB 91 89 05 99

This endorsement modifies insurance provided under the following:

American Business Coverage

Your policy is broadened and clarified as follows:

1. Non Employment Discrimination Liability

Unless **Personal Injury** or **Advertising Injury** is excluded from this policy:

A. **Section III - Definitions, Item 17. Personal Injury** is amended to include:

f. **Discrimination**

B. **Section III - Definitions, Item 2. Advertising Injury** is amended to include:

e. **Discrimination**

C. **Section III - Definitions** is amended to include:

30. **Discrimination** means the unlawful treatment of individuals based on race, color, ethnic origin, gender, religion, age, or sexual preference.

D. **Section II - Liability Coverage, Part H. Exclusions, Item 1.p Personal Injury or Advertising Injury** is amended to include:

(11) Arising out of **discrimination** directly or indirectly related to the past employment, employment or prospective employment of any person or class of persons by any insured; or

(12) Arising out of **discrimination** directly or indirectly related to the sale, rental, lease or sub-lease or prospective sale, rental, lease or sub-lease of any dwelling,

permanent lodging, or premises by or at the direction of any insured; or

(13) Arising out of **discrimination**, if insurance thereof is prohibited by law; or

(14) Fines, penalties, specific performance, or injunctions levied or imposed by a governmental entity, or governmental code, law, or statute because of **discrimination**.

2. Blanket Additional Insured

Section II - Liability Coverage, Part I. Who Is An Insured, Item 2. is amended to include:

f. Any person or organization that you are required by a written insured contract to include as an insured, subject to all of the following provisions:

(1) Coverage is limited to their liability arising out of:

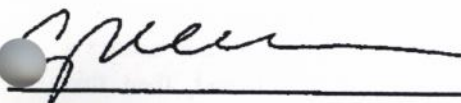
(a) the ownership, maintenance or use of that part of the premises, or land owned by, rented to, or leased to you; or

(b) your ongoing operations performed for that insured; or

(c) that insured's financial control of you; or

(d) the maintenance, operation or use by you of equipment leased to you by such person(s) or organization(s); or

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

- (e) a state or political subdivision permit issued to you.
- (2) Coverage does not apply to any occurrence or offense:
 - (a) which took place before the execution of, or subsequent to the completion or expiration of, the written insured contract, or
 - (b) which takes place after you cease to be a tenant in that premises.
- (3) With respect to architects, engineers, or surveyors, coverage does not apply to **Bodily Injury, Property Damage, Personal Injury or Advertising Injury** arising out of the rendering or the failure to render any professional services by or for you including:
 - (a) The preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; and
 - (b) Supervisory, inspection, or engineering services.

If an Additional Insured endorsement is attached to this policy that specifically names a person or organization as an insured, then this coverage does not apply to that person or organization.

3. Blanket Additional Insured for Vendors

Unless the **Products-Completed Operations Hazard** is excluded from this policy, **Section II - Liability Coverage, Part I. Who Is an Insured, Item 2.** is amended to include:

- g. Any vendor but only with respect to **Bodily Injury or Property Damage** arising out of your products which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:
 1. The insurance afforded the vendor does not apply to:
 - a. **Bodily Injury or Property Damage** for which the vendor is obligated to pay damages by reason of the

assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

- b. Any express warranty unauthorized by you;
 - c. Any physical or chemical change in the product made intentionally by the vendor;
 - d. Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container.
 - e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
 - g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor.
2. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

If an Additional Insured - Vendors endorsement is attached to this policy that specifically names a person or organization as an insured, then this coverage does not apply to that person or organization.

Blanket Waiver of Subrogation

Section II - Liability Coverage, Part K. Liability and Medical Payments General Conditions, is amended to include:

6. Transfer of Rights of Recovery Against Others to us and Blanket Waiver of Subrogation
 - a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair those rights. At our request, the insured will bring suit or transfer those rights to us and help us enforce them.
 - b. If required by a written insured contract, we waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of your operations or your work for that person or organization.

Broadened Named Insured

Section II - Liability Coverage, Part I. Who Is An Insured, Item 4. is replaced with:

4. All of your subsidiaries, companies, corporations, firms, or organizations, as now or hereafter constituted, qualify as Named Insured under this policy if:
 - (a) you have the responsibility of placing insurance for each such entity; and
 - (b) coverage for the entity is not otherwise more specifically provided; and
 - (c) the entity is incorporated or organized under the laws of the United States of America.

But each entity is insured only while you own, during the policy period, a controlling interest in such entity of greater than 50% of the stock or assets. However:

- (a) Coverage under this provision is afforded only until the end of the policy period, or the 12 month anniversary of the policy inception date, whichever is earlier;
- (b) Coverage C does not apply to bodily injury or property damage that occurred

before you acquired or formed the organization;

- (c) Coverage C does not apply to personal injury or advertising injury arising out of an offense committed before you acquired or formed the organization.

6. Medical Payments

Unless Coverage D. Medical Payments is excluded from this policy:

- A. Section II - Liability Coverage, Part H. Exclusions, Item 2.f. is replaced with:
 - f. Included within the products-completed operations hazard. However, this exclusion does not apply to expenses for dental services.
- B. Section II - Liability Coverage, Part G. Coverage, Item 2., is amended to include:
 - c. Coverage D. Medical Payments is primary and not contributing with any other insurance, even if that other insurance is primary also.

7. Tenant's Legal Liability

- A. Section III - Liability Coverage, Part J. Liability and Medical Payments Limits of Insurance, Item 3. is replaced with:
 3. The most we will pay under Coverage C - Liability for damages because of property damage to premises while rented to you, temporarily occupied by you with the permission of the owner, or managed by you under a written agreement with the owner:
 - a. arising out of any Covered Cause of Loss shall be the greater of:
 - (1) \$1,000,000; or
 - (2) The Tenant's Legal Liability limit shown in the Declarations.

8. Chartered Aircraft

Section II - Liability Coverage, Coverage C, Part H. Exclusions, Item 1.g. is amended to include:

- (5) An aircraft in which you have no ownership interest and that you have chartered with crew.

9. Coverage Territory Broadened

Section III - Definitions, Item 5.a. is replaced with:

- a. The United States of America (including its territories and possessions), Puerto Rico, Canada, Bermuda, the Bahamas, the Cayman Islands and the British Virgin Islands.

10. Broadened Advertising Injury

Unless Advertising Injury is excluded from this policy:

A. Section III - Definitions, Item 2. is replaced with:

2. Advertising Injury means injury arising out of one or more of the following offenses:

- a. Oral, written, televised or videotaped publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- b. Oral, written, televised or videotaped publication of material that violates a person's right of privacy;
- c. Misappropriation of advertising ideas or style of doing business; or
- d. Infringement of trademark, copyright, title or slogan.

B. Section II - Liability Coverage, Coverage C, Part H. Exclusions, Items 1.p.(1) and (2) are replaced with:

- (1) Arising out of oral, written, televised or videotaped publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- (2) Arising out of oral, written, televised or videotaped publication of material whose first publication took place before the beginning of the policy period;

11. Broadened Personal Injury

Unless Personal Injury is excluded from this policy, Section III - Property, Liability and Medical

Payments Definitions, Items 17.b., d. and e. are replaced with:

- b. Malicious prosecution or abuse of process;
- d. Oral, written, televised or videotaped publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral, written, televised or videotaped publication of material that violates a person's right of privacy;

12. Broadened Personal or Advertising Injury

Unless Personal Injury or Advertising Injury is excluded from this policy, Section II - Liability Coverage, Coverage C, Part H. Exclusions, Item 1.p.(4) Exclusions is deleted in its entirety.

13. Fellow Employees Coverage

Section II - Liability Coverage, Part I. Who Is an Insured, Item 2.a.(1) is amended as follows:

- (1) Personal Injury to you or to a co-employee while in the course of his or her employment, or the spouse, child, fetus, embryo, parent, brother, sister or any member of the household of that employee or co-employee as a consequence of such Personal Injury, or for any obligation to share damages with or repay someone else who must pay damages because of the injury; or

14. Mental Anguish Is Included in Bodily Injury

Section III - Definitions, Item 4. is replaced with:

4. Bodily injury means bodily injury, sickness or disease sustained by a person. It includes death or mental anguish which result at any time from such physical harm, physical sickness or physical disease. Mental anguish means any type of mental or emotional illness or disease.

15. Unintentional Failure to Disclose Hazards

Section II - Liability Coverage, Part K. Liability and Medical Payments General Conditions, is amended to include:

6. Unintentional Failure to Disclose Hazards

If you unintentionally fail to disclose any hazards existing at the inception date of your policy, we will not deny coverage under this Coverage Form because of such failure. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

16. Supplementary Payments, Increase Limits

Section II - Liability Coverage, Part G. Coverage, Items 1.e. (2) and (4) are replaced with:

- (2) The cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or suit including substantiated loss of earnings up to \$500 a day because of time off work.

Per Location Aggregate

A. Section II - Liability Coverage, Part J. Limits of Insurance, Item 4. is amended to include:

The Aggregate Limit of Insurance applies separately to each location owned by you, rented to you, or occupied by you with the permission of the owner.

B. Section III - Property, Liability and Medical Payments Definitions, is amended to include:

31. Location means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of railroad.

18. Amended Duties in the Event of an Occurrence, Offense Claim or Suit

Section II - Liability Coverage, Part K. Liability and Medical Payments General Conditions, Items 2.a. and b. are replaced with:

- a. In the event of an occurrence, offense, claim, or suit, you must promptly notify us. Your duty to promptly notify us is effective when your executive officers, partners, members, or

legal representatives are aware of the General Liability occurrence, offense, claim, or suit. Knowledge of an occurrence, offense, claim, or suit by other employee(s) does not imply you also have such knowledge.

b. To the extent possible, notice to us should include:

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

19. Common Policy Conditions (AB 00 09 A 01 87), Part H. Other Insurance, Item 2. is replaced with:

2. Coverage C - Liability

If other valid and collectible insurance is available to any insured for a loss we cover under Coverage C of this Coverage Part our obligations are limited as follows:

- a. The insurance provided under this policy is primary if you are required by a written insured contract to include any person or organization as an insured, but only with respect to that insured's liability arising out of the ownership, maintenance, or use of that part of the premises owned by or rented to you, or your work for that insured by or for you. Any other insurance available to that person or organization is excess and noncontributory with this insurance, or;
- b. Except for the circumstance described in 2.a., above, the insurance provided under this policy is excess over any other liability insurance available to any insured whether such other insurance is written as primary, excess, contingent or any other basis. An exception applies when any insured specifically has purchased excess insurance to apply in excess of the limits of insurance shown in the Declarations of this Coverage Part for Coverage C.

All other terms and conditions of the policy apply.