

Eatonville Transportation Benefit District

Agenda August 10, 2015

6:45PM

Eatonville Community Center
305 Center St. West, Eatonville

- Call to Order
- Roll Call

SHRIMPsher _____ GRIBI _____ WALTER _____ PIERCE _____ POWELL _____

- Consent Agenda

Approval of Agenda

Minutes from the July 13, 2015 meeting

- New Business

Resolution 2015-D

A Resolution of the Board of the Eatonville Transportation Benefit District, Eatonville, Washington, awarding a contract to Apply-A-Line, Inc. to paint and thermo plastic crosswalks and stop bars.

- Adjournment

**EATONVILLE TRANSPORTATION BENEFIT DISTRICT
MINUTES OF REGULAR MEETING**

TIME: 6:30 PM

DATE: July 13, 2015

PLACE: Eatonville Community Center

CALL TO ORDER

Chair Schaub called the meeting of the Eatonville Transportation Benefit District to order at 6:30 p.m.

ROLL CALL

Town Clerk Kathy Linnemeyer called the roll. The following were:

Present: Chair Mike Schaub, Committee Members; James Schrimpscher, Bob Walter, Abby Gribi, and Andy Powell.

Also Present: Town Clerk Kathy Linnemeyer

APPROVAL OF AGENDA

Committee member **Gribi** moved approval and was seconded by Committee member **Schrimpscher**. The motion passed with Committee member **Powell** voting no.

CONSENT AGENDA

Committee member **Gribi** moved approval of the April 13, 2015 meeting minutes and was seconded by Council member **Schrimpscher**. All were in favor.

NEW BUSINESS

Review the recommendation of bids from Stripe Rite and Apply-A-Line, Inc. for crosswalk and stop bar striping.

Town Administrator, Doug Beagle, informed the Committee that, at the request of the Mayor he requested bids for the cross walks and stop bars in Town that need new striping. He stated that the bids from Stripe Rite and Apply-A-Line, Inc. both have 2 prices on them, one for thermo plastic striping and one for painting. The thermo plastic is longer lasting than paint.

Committee member **Gribi** recommended using the thermal plastic for the main arterials and painting the remaining areas.

Mayor Schaub reported that he wants to start a regular rotation schedule for the future so that they don't all need to be done at the same time.

Administrator Beagle announced that some of the internal streets may be able to be painted by the 911 Day of Service group.

Committee member **Gribi** asked if the bid includes removal of the old striping.

Committee member Gribi made a motion to accept the bid from Apply-A-Line, Inc. and use the thermal plastic on the main roads as determined by administration and paint the remaining abutments to the main arterials using Transportation Benefit District funds and was seconded by Committee member Walter. All were in favor.

Committee member **Walter** informed the Committee that the speed limit sign on Eatonville Highway where the speed limit changes to 35 MPH is missing.

Committee member Gribi made a motion to set standing meetings for the Transportation Benefit District before Council meetings every quarter and was seconded by Committee member Schrimpsheer. All were in favor.

ADJOURNMENT

Committee member **Gribi** moved to adjourn and was seconded by Committee member **Walter**. All were in favor. Chair Schaub adjourned the meeting until October 12, 2015 at 6:45PM.

Mike Schaub, Chair

ATTEST:

Kathy Linnemeyer, Town Clerk

EATONVILLE TRANSPORTATION BENEFIT DISTRICT

Agenda Staff Report

Agenda Item No.:	_____	Meeting Date:	<u>August 10, 2015</u>
Subject:	<u>Resolution 2015-D Awarding a Contract</u> <u>to Apply-A-Line, Inc. to Paint and</u> <u>Thermo Plastic Crosswalks and Stop</u> <u>Bars</u>	Prepared by:	<u>Greg Jacoby</u> <u>Town Attorney</u>
		Atty Routing No:	<u>032-15</u>
		Atty Review Date:	<u>July 31, 2015</u>

Summary: In 2012, the Eatonville Town Council created a transportation benefit district (the "District") within the geographical boundaries of the corporate limits of the town. The Eatonville Town Council serves as the governing board of the District and the Mayor serves as the chair of the District board. The funds generated by the District are to be used to make transportation improvements, as more fully described in EMC 3.22.060

From time to time, the Town needs to make repairs to streets and sidewalks to eliminate trip hazards. This contract will enable the Town to paint and Thermo Plastic certain crosswalks and stop bars. Staff has followed the State bid laws for limited public works projects and obtained three quotes. Apply-A-Line is the lowest responsible bidder with a bid not to exceed \$11,500.00 plus Washington State sales tax. The use of the funds is consistent with the uses described in EMC 3.22.060.

Recommendation: Staff recommends adoption of Resolution No. 2015-D awarding a contract to Apply-A-Line, Inc. to paint and Thermo Plastic certain crosswalks and stop bars.

Motion for consideration: I move to adopt Resolution No. 2015-D awarding a contract to Apply-A-Line, Inc. to paint and Thermo Plastic certain crosswalks and stop bars and authorizing the District board's Chair to sign said contract in the amount not to exceed \$11,500.00 plus Washington State sales tax.

Fiscal Impact:

Attachments: Resolution No. 2015-DD

RESOLUTION NO. 2015-D

**A RESOLUTION OF THE BOARD OF THE EATONVILLE
TRANSPORTATION BENEFIT DISTRICT, EATONVILLE,
WASHINGTON, AWARDING A CONTRACT TO APPLY-A-LINE,
INC. TO PAINT AND THERMO PLASTIC CROSSWALKS AND
STOP BARS**

WHEREAS, in 2012 the Eatonville Town Council created a transportation benefit district (the "District") within the geographical boundaries of the corporate limits of the town, as described in Eatonville Municipal Code (EMC) Chapter 3.22; and

WHEREAS, the Eatonville Town Council serves as the governing board of the District and the Mayor serves as the chair of the District board; and

WHEREAS, the funds generated by the District are to be used to make transportation improvements, as more fully set forth in EMC 3.22.060; and

WHEREAS, in accordance with Washington State's bid laws for limited public works projects, the Town solicited electronic or written quotations from a minimum of three contractors to paint and Thermo Plastic Town crosswalks and stop bars; and

WHEREAS, Apply-A-Line, Inc. is the lowest responsible bidder with a bid in the amount not to exceed \$11,500.00 plus Washington State sales tax; now, therefore;

**THE BOARD OF THE EATONVILLE TRANSPORTATION DISTRICT,
HEREBY RESOLVES AS FOLLOWS:**

THAT: A contract to paint and Thermo Plastic Town crosswalks and stop bars is awarded to Apply-A-Line, Inc. in the amount not to exceed \$11,500.00 plus Washington State sales tax; and

FURTHER THAT: The Board Chair is authorized to sign a contract with Apply-A-Line, Inc. in a form approved by the Town Attorney.

PASSED by the Board of the Eatonville Transportation Benefit District and attested by the Town Clerk in authentication of such passage this 10th day of August 2015.

Mike Schaub, Chair
Eatonville Transportation Benefit District

ATTEST:

Kathy Linnemeyer, Town Clerk

RESOLUTION NO. 2015-D

**A RESOLUTION OF THE BOARD OF THE EATONVILLE
TRANSPORTATION BENEFIT DISTRICT, EATONVILLE,
WASHINGTON, AWARDED A CONTRACT TO APPLY-A-LINE,
INC. TO PAINT AND THERMO PLASTIC CROSSWALKS AND
STOP BARS**

WHEREAS, in 2012 the Eatonville Town Council created a transportation benefit district (the "District") within the geographical boundaries of the corporate limits of the town, as described in Eatonville Municipal Code (EMC) Chapter 3.22; and

WHEREAS, the Eatonville Town Council serves as the governing board of the District and the Mayor serves as the chair of the District board; and

WHEREAS, the funds generated by the District are to be used to make transportation improvements, as more fully set forth in EMC 3.22.060; and

WHEREAS, in accordance with Washington State's bid laws for limited public works projects, the Town solicited electronic or written quotations from a minimum of three contractors to paint and Thermo Plastic Town crosswalks and stop bars; and

WHEREAS, Apply-A-Line, Inc. is the lowest responsible bidder with a bid in the amount not to exceed \$11,500.00 plus Washington State sales tax; now, therefore;

**THE BOARD OF THE EATONVILLE TRANSPORTATION DISTRICT,
HEREBY RESOLVES AS FOLLOWS:**

THAT: A contract to paint and Thermo Plastic Town crosswalks and stop bars is awarded to Apply-A-Line, Inc. in the amount not to exceed \$11,500.00 plus Washington State sales tax; and

FURTHER THAT: The Board Chair is authorized to sign a contract with Apply-A-Line, Inc. in a form approved by the Town Attorney.

PASSED by the Board of the Eatonville Transportation Benefit District and attested by the Town Clerk in authentication of such passage this 10th day of August 2015.

Mike Schaub, Chair
Eatonville Transportation Benefit District

ATTEST:

Kathy Linnemeyer, Town Clerk

**TOWN OF EATONVILLE SMALL WORKS
CONSTRUCTION CONTRACT**

THIS Agreement is made effective as of the _____ day of _____, 2015, by and between

TOWN OF EATONVILLE, WASHINGTON (“TOWN”)
201 Center Street West
PO Box 309
Eatonville, Washington 98328
Contact: Town Administrator Doug Beagle
Phone: 360.832.3361 Ext. 105
Fax: 360.832.3977

and

APPLY-A-LINE, INC. (“CONTRACTOR”)
175 Roy Road SW, Building C
Pacific, WA 98407

Contact: Mike Susner Phone: 253-299-1200 Fax: 253-299-1250

Tax Id No.: 91-1270515

for the following Project:

Paint and Thermo Plastic crosswalks and stop bars (“PROJECT”).

The Town and Contractor agree as follows:

1. **Contract Documents.** The Contractor shall complete the Work described in the Contract Documents for the Project. The following documents are collectively referred to as the “Contract Documents”:
 - a. This Agreement signed by the Town and Contractor;
 - b. Division 1 of WSDOT Standard Specifications for Road, Bridge and Municipal Construction, 2000 edition, together with APWA Supplement (1-99), subject to specific provisions contained within the Public Works Terms and Conditions;
 - c. The attached Special Provisions, Plans and Specifications;
 - d. Written change orders or orders for minor changes in the Work issued after execution of this Agreement;
 - e. Public Works Terms and Conditions;

f. Insurance and Bonding Requirements; and

g. The Quote Sheet submitted by the Contractor and dated May 6, 2015, except when inconsistent with the Contract Documents.

The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Work by the Contractor. These Contract Documents complement each other in describing a complete work. Any requirement in one document binds as if stated in all. The Contractor shall provide any work or materials clearly implied in the Contract even if the Contract does not mention it specifically.

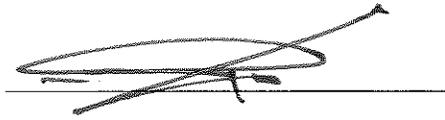
2. **Date of Commencement and Substantial Completion Date.** The date of commencement shall be _____ 2015. The Contractor shall substantially complete the Work not later than _____ 2015, subject to adjustment by change order.
3. The Contractor shall do all work and furnish all tools, materials, and equipment in accordance with the above described Construction Contract Documents. The Contractor shall provide and bear the expense of all equipment, work, and labor of any sort whatsoever that may be required for the transfer of materials and for constructing and completing of the work provided for in these Construction Contract Documents, except those items mentioned therein to be furnished by the Town.
4. Subject to additions and deductions by change order, the construction Contract Sum is the not to exceed amount of **\$11,500.00** plus applicable sales tax. The construction contract sum shall include all items and services necessary for the proper execution and completion of the work. The Town hereby promises and agrees with the Contractor to employ, and does employ the Contractor to provide the materials and to do and cause to be done the work described in the Construction Contract Documents and to complete and finish the same according to the plans and specifications and the terms and conditions herein contained; and hereby contracts to pay for the same at the time and in the manner and upon the conditions provided for in this contract.
5. The Contractor agrees to comply with all state and federal laws relating to the employment of labor and wage rates to be paid. The Contractor agrees to furnish insurance of the types and the amounts set forth in the Construction Contract Documents.
6. The Contractor agrees to repair and replace all property of the Town and all property of others damaged by himself, his employees, and sub-contractors.
7. The Contractor for himself and for his heirs, executors, administrators, successors, and assigns, does hereby agree to the full performance of all the covenants herein upon the part of the Contractor.
8. It is further provided that no liability shall attach to the Town by reason of entering into this Construction Contract, except as expressly provided herein.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be duly executed on the date first written above.

TOWN OF EATONVILLE

CONTRACTOR

Mike Schaub, Mayor



By: Michael Liljestrom

Its: President

ATTEST:

Kathy Linnemeyer, Town Clerk

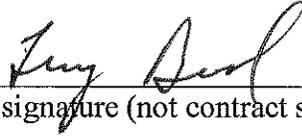
APPROVED AS TO FORM:

Gregory A. Jacoby, Town Attorney

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, Terry Buol (*Corporate Officer (Not Contract Signer)*)
certify that I am the Secretary-Treasurer (*Corporate Title*) of the
corporation named as Contractor in the Agreement attached hereto; that Michael
Liljestrom, (*Contract Signer*) who signed said Agreement on behalf of the Contractor, was
then President (*Corporate Title*) of said corporation; that said Agreement
was duly signed for and in behalf of said corporation by authority of its governing body, and is
within the scope of its corporate powers.

Corporate Seal



Corp. officer signature (not contract signer)

Terry Buol

Printed

Secretary-Treasurer

Title

State of Washington)

County of Pierce)

Terry Buol, (*corporate officer (not contract signer)*) being duly
sworn, deposes and says that he/she is Secretary-Treasurer (*Corporate Title*) of
Apply-A-Line, Inc. (*Name of Corporation*)

Subscribed and sworn to before me this 30th day of July, 20 15


Notary Public (Signature)

Sandra L. Sablan

Notary Public (Print)

My commission expires 03/29/19

**TOWN OF EATONVILLE
PUBLIC WORK PROJECT TERMS AND CONDITIONS**

The following terms and conditions shall be used in conjunction with the Standard Specifications for Road, Bridge and Municipal Construction, 2000- edition, together with the APWA Supplement (Section 1-99), as issued by the Washington State Department of Transportation and American Public Works Association, Washington State Chapter, hereinafter referred to as the "standard specifications." The standard specifications, except as they may be modified or superseded by these provisions, shall govern all phases of work under this contract, and they are by reference made an integral part of these specifications and contract as if herein fully set forth.

When the provisions of the standard specification conflict with the terms and conditions as contained herein, the terms and conditions shall prevail.

1. **BID PRICE:** The price is not to exceed \$11,500.00 and, except as otherwise set forth in Contractor's Quote Sheet dated June 16 2015, shall include all necessary permits, and fees and items of labor, material, equipment, tools, overhead and compensation, supplies, taxes, utilities and other incidentals necessary to complete the work in a fully functional and operational state. All prices including bid prices are in US funds.

2. **DEFINITIONS:** *The* term "Town" means Eatonville, Washington, "successful bidder" means the apparent lowest and best responsible bidder to whom an award is made, and "Contractor" means the successful bidder who has satisfied the requirements for the award and who receives a contract executed by the Town. "Bidder" means the person, firm or corporation that has made an offer in response to the solicitation for quotations from contractors on the Town's small works roster. "Work" means the construction and services required by the Contract Documents, whether completed or partially completed, and includes all other labor, materials, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's obligations.

3. **LICENSING AND REGISTRATION:** The Contractor must have a Washington State certificate of registration per chapter 18.27 RCW; a current state unified business identifier number; and if applicable, industrial insurance coverage for the bidder's employees working in Washington, an Employment Security Department number, and a state excise tax registration number. In addition, the bidder must not be disqualified from bidding on any public works contracts under RCW 39.06.010 or 39.12.065(3).

4. **PUBLIC WORK REQUIREMENTS:** This project constitutes a public work under state law. Bidders are warned to take into consideration statutory legal requirements, particularly, the payment of prevailing wages and fringe benefits, payment and performance bonds and sales tax implications in making their bids. It is the sole responsibility of the bidder to insure that the appropriate labor classification(s) are identified and that the applicable wage and benefit rates are taken into consideration when preparing their bid according to these specifications. Except as may be otherwise permitted by State law, the Contractor shall complete and file State of Washington, Department of Labor & Industries, Statement of Intent to Pay Prevailing Wages and Affidavit of Wages Paid forms and shall familiarize itself with their requirements. The Contractor shall also be responsible for and pay all costs pertaining to the processing of these forms.

5. **INSURANCE REQUIREMENT:** The successful bidder will furnish insurance as stipulated in the Attachment entitled "Insurance Requirements."

6. RECEIPT OF ADDENDA: All official clarifications or interpretations of the bid documents will be by written addenda only.

7. PROJECT COMPLIANCE: In compliance with the request for quotation, Bidder hereby proposes to perform all work for this project in strict accordance with the Contract Documents, at the Contract Sum, and within the time set forth herein with the understanding that time is of the essence in the performance of this contract.

8. TAXES: Proposals shall include all applicable taxes except sales tax which is a separate bid item. It shall be the Bidder's responsibility to furnish Federal Excise Tax Exemption Certificate, when applicable.

9. ERROR IN EXTENSION: Unit price, when used, shall govern in case of extension error.

10. PERMITS AND FEES: The Contractor shall furnish all permits, inspection fees, and fees required in the performance of this contract, including those charged under RCW 39.12.070 by the Department of Labor and Industries works for the approval of statements of intent to pay prevailing wages and the certification of affidavits of wages paid, etc. The Department may also charge fees to persons or organizations requesting the arbitration of disputes under RCW 39.12.060. The Contractor is responsible for all fees resulting from these statutes.

11. CONTRACT: The Contract, when properly signed, will be the only form which will be recognized by the Town as an award. The executed Contract supersedes all previous communications and negotiations, except as referenced herein, and constitutes the entire agreement between the Town and Contractor (parties), except as provided herein. The Contractor shall not make any changes, alterations, or variations in the terms of the contract without the written consent of the Town. No terms stated by the Bidder in its proposal shall be binding on the Town unless accepted in writing by the Town. The successful bidder may not assign the Contract resulting from this invitation to bid without the Town's prior written consent. No waiver by the Town of a breach of any provision of the terms and conditions outlined in the invitation to bid shall constitute a waiver of any other breach of such provision or of any other provisions.

12. CHANGE ORDERS: If the Town or the Contractor requests a change in the Work, or either party believes that a change is necessary, then the parties shall comply with the following procedure to document and reflect a change in the Work: (a) The party requesting the change shall write a description of the change and give the description to the other party (the "Change Notice"); (b) Before proceeding with the change in Work, unless otherwise excused by emergency, the Contractor shall provide the Town with a fixed-price written estimate of the cost and time impact of the change in Work; and (c) The Town and the Contractor shall execute a Change Order confirming their agreement as to the change in Work, the fixed-price cost, and the extension of the Substantial Completion Date, if any. If the change in Work cannot be performed on a fixed-price basis, the Change Order shall identify the agreed method of compensation.

13. CHANGE DIRECTIVES: A "Change Directive" is a written order signed by the Town, directing a change in the Work prior to agreement on adjustment, if any, in the Contract Sum or Substantial Completion Date, or both. The Town may by Change Directive, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions, the Contract Sum and Substantial Completion Date being adjusted accordingly. A Change Directive shall only be used in the absence of total agreement on the terms of a Change Order. Upon receipt of a Change Directive, the Contractor shall promptly proceed with the change in the Work and advise the Town of its agreement or disagreement with

the proposed method for determining the proposed adjustment in the Contract Sum and/or Substantial Completion Date, if any, provided in the Change Directive. A Change Directive signed by the Contractor indicates agreement with all terms set forth in the Change Directive. Such agreement shall be effective immediately and shall be recorded as soon as practical with a Change Order. If the parties are unable to agree on an adjustment to the Contract Sum and/or Substantial Completion Date, if any, then either party may submit the matter for determination in accordance with Section 21.

14. **MINOR CHANGES IN THE WORK:** The Town shall have the authority to order minor changes in the Work not involving adjustment in the Contract Sum or extension of the Substantial Completion Date and not inconsistent with the Contract documents. The Contractor shall promptly carry out such written orders for minor changes in the Work.

15. **COMPLIANCE WITH LAWS AND REGULATIONS:** The Contractor warrants full compliance with all applicable local, state or federal laws and regulations and agrees to indemnify and defend the Town against any loss, cost, liability or damage, including reasonable attorney's fees, by reason of successful bidder's violation of this paragraph.

16. **INDEMNIFICATION:** All services to be rendered or performed under contract will be rendered or performed entirely at the Contractor's own risk. The Contractor expressly agrees to defend, indemnify and hold harmless the Town and all its officers, agents, employees or otherwise from any and all claims, including but not limited to reasonable attorney fees, demands, losses and liabilities to or by third parties arising from, resulting from or connected with the express or implied obligations of the Contractor, its agents or employees under this contract to the fullest extent permitted by law. The Contractor's duty to indemnify the Town shall not apply to liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole negligence of the Town, its agents or employees. The Contractor's duty to indemnify the Town for liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the concurrent negligence of (a) the Town, its agents or employees, and (b) Contractor, its agents or employees shall apply only to the extent of negligence of the Contractor or its agents or employees. Contractor's duty to defend, indemnify and hold the Town harmless shall include, as to all claims, demands, losses and liability to which it applies, the Town's personnel-related costs, reasonable attorney's fees, court costs and all other claim-related expenses. The Contractor's indemnification shall specifically include all claims for loss liability because of wrongful payments under the Uniform Commercial Code, or other statutory or contractual liens or rights or third parties, including taxes, accrued or accruing as a result of this contract or work performed or materials furnished directly or indirectly because of this contract. Contractor further agrees that this duty to indemnify Town applies regardless of any provisions in RCW Title 51 to the contrary, including but not limited to any immunity of Contractor for liability for injuries to Contractor's workers and employees, and/or Worker's Compensation; and Contractor hereby expressly waives any such immunity.

17. **TERMINATION:** This Contract may be terminated in whole or in part, without penalty, under the following conditions: 1) by mutual written agreement; 2) by the Town for breach by the Contractor of any of the obligations or requirements set forth in the contract documents which would, at the option of the Town, require the Contractor to assume liability for any and all damages, including the excess of re-procuring similar products or services; 3) for convenience of the Town; or 4) by the Town for non-appropriation of funds.

18. **TERMINATION BY THE TOWN WITHOUT CAUSE:** Notwithstanding any other provisions contained herein, the Town, without cause, may terminate the contract between the parties by providing notice to the Contractor. Upon termination under this section: 1) All remaining obligations of the parties are discharged, but any right based upon breach or performance occurring prior to termination survives; 2) If the reasonable costs of performance incurred by the Contractor prior to termination exceed the amount paid by the Town to the Contractor on the Contract Sum, the Town shall reimburse the Contractor in the amount of such excess; 3) If the amount paid by the Town to the Contractor on the Contract Sum exceeds the reasonable costs of performance incurred by the Contractor prior to termination, the Contractor shall reimburse the Town in the amount of such excess; 4) Any funds obtained or retained by the Contractor as provided in subsections 2) or 3), above, shall constitute full payment and consideration for the services performed by the Contractor prior to termination.

19. **COMPLIANCE WITH TERMS:** The Town may at any time insist upon strict compliance with these terms and conditions, notwithstanding any previous custom, practice, or course of dealing to the contrary.

20. **PAYMENT:** Contractor shall maintain time and expense records and provide them to the Town along with invoices in a format acceptable to the Town for work performed to the date of the invoice. Except as otherwise agreed by the parties, all invoices shall be paid by the Town within 45 days of receipt of a proper invoice. If the services rendered do not meet the requirements of the Contract, Contractor will correct or modify the work to comply with the contract. Town may withhold payment for such work until work meets the requirements of the Contract.

21. **DISPUTE RESOLUTION:** In the event there is a dispute between the parties, the parties agree to resolve that dispute in the following manner: (a) The parties shall attempt in good faith to resolve any dispute promptly through negotiation. Either party may give the other party written notice that a dispute exists (a "Notice of Dispute"). The Notice of Dispute shall include a statement of such party's position. Within ten (10) days of the delivery of the Notice of Dispute, the parties shall meet at a mutually acceptable time and place and attempt to resolve the dispute; (b) If the parties are unable to resolve the dispute, they may elect to submit the dispute to mediation. The cost of the mediation shall be borne equally by each party. The mediator shall be selected by the mutual agreement of the parties; (c) If the mediation does not result in a settlement of the dispute, the dispute shall be settled by binding arbitration by the Judicial and Arbitration Mediations Service ("JAMS") in accordance with the then operative construction rules of JAMS. The parties may select an arbitrator by mutual agreement, or if unable to agree, the arbitrator will be selected pursuant to the rules of JAMS. The parties shall be bound by the decision of such arbitrator. The arbitration shall be conducted in Pierce County, Washington; provided, if JAMS is unable to conduct the arbitration in Pierce County, then the arbitration shall be held in such location as the parties may agree after consulting with JAMS.

TOWN OF EATONVILLE INSURANCE REQUIREMENTS

Contractor shall furnish and maintain all insurance as required herein (or by attachment) and comply with all limits, terms and conditions stipulated therein (or by that attachment), at their expense, for the duration of the contract. Any exclusions must be pre-approved by the Town. Work under this contract shall not commence until evidence of all required insurance and bonding is provided to the Town. The Contractor's insurer shall have a minimum A.M. Best's rating of A- and shall be licensed to do business in the State of Washington. The insurance policy or policies will not be canceled, materially changed or altered without forty five (45) days prior notice submitted to the Town. The policy shall provide and the certificate shall reflect that the insurance afforded applies separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability. The policy shall be endorsed and the certificate shall reflect that the insurance afforded therein shall be primary insurance and any insurance or self-insurance carried by the Town shall be excess and not contributory insurance to that provided by the contractor.

REQUIRED COVERAGE: The insurance shall provide the minimum coverage as set forth below, all coverage \$1,000,000.00 per occurrence with no deductible.

GENERAL LIABILITY INSURANCE: The Contractor shall have Commercial General Liability with limits of \$1,000,000.00 per occurrence and at least \$2,000,000.00 in the annual aggregate, which includes general aggregate, products, completed operation, personal injury, fire damage and medical expense.

ADDITIONAL INSURED ENDORSEMENT: General Liability Insurance must state that the Town of Eatonville, its officers, agents and employees, and any other entity specifically required by the provisions of the Agreement will be specifically named additional insured(s) for all coverage provided by this policy of insurance and shall be fully and completely protected by this policy from all claims. Language such as the following should be used "TOWN OF EATONVILLE, ITS OFFICERS, AGENTS AND EMPLOYEES ARE NAMED ADDITIONAL INSURED AS RESPECTS TO PROJECT NUMBER (insert project number here)."

PROOF OF BUSINESS AUTOMOBILE INSURANCE: The Contractor shall have Business Automobile Liability with limits of \$1,000,000.00 combined single limit.

WORKERS COMPENSATION: If applicable, the Contractor shall show proof of Worker's Compensation coverage by providing its State Industrial Account Identification Number. Provision of this number will be the Contractor's assurance that coverage is in effect.

PROOF OF INSURANCE: The Contractor shall not commence work, nor shall the Contractor allow any subcontractor to commence work on any subcontract until a Certificate of Insurance, meeting the requirements set forth above, has been provided to the Town. Upon request, the Contractor shall forward to the Town the original policy, or endorsement obtained, to the Contractor's policy currently in force.

FAILURE OF COVERAGE: Failure of the Contractor to fully comply with the above insurance requirements during the term of the contract shall be considered a material breach of contract and cause for immediate termination of the contract at the Town's discretion. Alternatively the Town may procure and maintain, at the Contractor's sole expense, insurance to the extent deemed proper up to the amount of the required coverage(s). The Town may offset the cost of such insurance against payment due to the Contractor under this contract.

**TOWN OF EATONVILLE
DECLARATION OF OPTION FOR PERFORMANCE
BOND OR ADDITIONAL RETAINAGE**

(CONTRACTS UNDER \$35,000 ONLY)

Note: This form must be submitted at the time the Contractor executes the Contract. The Contractor shall designate the option desired by checking the appropriate space.

The Contractor elects to:

 X (1) Furnish a performance bond in the amount of the total contract sum. An executed performance bond on the required form is included with the executed contract documents.

 (2) Have the Town retain, in lieu of the performance and payment bonds, fifty percent (50%) of the total contract amount for a period of thirty days after date of final acceptance, or until receipt of all necessary releases from the department of revenue and the department of labor and industries and settlement of any liens filed under chapter 60.28 RCW, whichever is later. RCW 39.08.010.

In choosing option 2, the Contractor agrees that if the Contractor, its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract, and shall faithfully perform all the provisions of such contract and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions and agreements of any and all duly authorized modifications of the Contract that may hereafter be made, at the time and in the manner therein specified, and shall pay all laborers, mechanics, subcontractors, and materialmen, and all persons who shall supply such person or persons, or subcontractors, with provisions and supplies for the carrying on of such work, on his or her part, and shall defend, indemnify, and save harmless the Town of Eatonville, Washington, its officers and agents from any claim for such payment, then the funds retained in lieu of a performance bond shall be released at the time provided in said option 2; otherwise, the funds shall be retained until the Contractor fulfills the said obligations.


Contractor Signature, Date 07/30/15
Bond No. 106314566

TOWN OF EATONVILLE
PERFORMANCE & PAYMENT BOND WITH GUARANTY

Name of Project: Paint and Thermo Plastic Crosswalk and Stop Bars
Project Address: _____
Owner/Developer/Contractor: Apply-A-Line, Inc.
Project/Contract # _____
Bond Amount: \$11,500.00
Bond # 106314566

1. Date and Parties

This performance and payment bond with guaranty is dated, for reference purposes only, the 28th day of July, 2015 and is executed by Apply-A-Line, Inc. as Principal(s), and Travelers Casualty and Surety, as Surety.
Company of America

2. General Recitals

A. The Principal has entered into a contract with the Town of Eatonville, Pierce County, Washington ("Town") for certain improvements identified as follows: Paint and Thermo Plastic crosswalk and stop bar.

B. The Principal has accepted, or is about to accept, the contract and undertake to perform the work provided for in the manner and time set forth therein.

C. The Contract Documents provide the Principal with the choice of either executing a Performance and Payment Bond or having the Town retain fifty percent of the total contract amount for a period of thirty days after date of final acceptance to assure that the improvements are constructed in accordance with the contract requirements and that all laborers, contractors, mechanics, sub-contractors, materialmen, and suppliers are paid all sums owing.

3. Bond Amount

The Principal and the Surety agree and do jointly and severally bind themselves, their heirs, executors, administrators, and assigns, unto the Town in the sum of Eleven Thousand Five Hundred Dollars and No Cents (\$11,500.00)

4. Agreement to Perform

A. The Principal must construct the improvements to conform to the design, location, materials and other specifications for the indicated site improvements, as set forth in the Contract Documents and all duly authorized modifications of said Contract Documents that may hereafter be made. In addition, the Principal must construct the improvements

according to the applicable ordinances and standards of the Town and/or state statutes, as the same now exist or are hereunder amended. This provision shall not be construed as creating an obligation on the part of the Town or its representatives to complete such improvements.

B. The Principal must have completed all improvements required by the above-referenced conditions, plans and specifications within Three (3) working days, which time period shall begin to run from the earlier date specified in the notice to proceed, or the date of the start of construction, unless an extension is granted by the Town.

C. The Principal must have paid all sums owing to laborers, contractors, mechanics, subcontractors, material men and suppliers or others as a result of such work for which a lien against any Town property has arisen or may arise.

D. The Principal must obtain acceptance by the Town of the work completed, on or before thirty (30) days after the completion date set forth above.

E. The Principal further agrees to maintain the improvements free from defects in materials, workmanship, or installation for a period of One (1) years after the improvements are constructed and accepted in writing by the Town.

F. The Surety agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligation on this Bond, and it does hereby waive notice of any change, extension of time, alterations or additions to the terms of the contract or the work or to the specifications.

G. The Surety agrees that modifications and changes may be made in the terms and provisions of the contract without notice to Surety, and any such modifications or changes increasing the total amount to be paid to the Principal shall automatically increase the obligation of the Surety on this Bond in a like amount. However, such increase shall not exceed twenty-five percent (25%) of the original amount of this Bond without the consent of the Surety.

5. Indemnity Agreement

The Principal hereby agrees to indemnify and hold the Town harmless from any and all claims that may be made against the Town resulting directly or indirectly from any action or inaction of the Principal or his agents, employees or independent contractors relating directly or indirectly to work performed or to be performed under the terms of this agreement. This indemnity and hold harmless shall include Town Costs related to defending against said claims, or in enforcing the terms of this agreement.

6. Obligation of Surety

A. If the Principal fails to construct the Improvements and receive Town approval within the time limits set forth above, then the Surety shall be liable to the Town for Town Costs resulting from said failure to perform, but not to exceed the Bond amount.

B. If the Principal fails to maintain the Improvements as required herein for the length of time set forth above, then the Surety shall be liable to the Town for Town Costs resulting from the failure to maintain the Improvements, but not to exceed one tenth of the Bond amount.

C. For purposes of this document, the term "Town Costs" shall mean all Town expenditures, obligations or debt incurred, including, but not limited to: construction, equipment and material costs; Town staff time; legal consultant fees; engineering consultant fees; financial consultant fees; publication, service or process and filing fees; mailing fees; cost of right-of way, real property and easement acquisition; and fees and costs to other governmental jurisdictions, that are made or incurred by the Town, whether or not legal action is commenced.

7. Address for Notices

All notices required hereunder shall be considered properly delivered when personally delivered, when received by facsimile, or on the third day following mailing, postage prepaid, certified mail, return receipt requested, to:

Principal:
Apply-A-Line, Inc.
Name
175 Roy Road SW, Bldg. C
Street address
Pacific, WA 98047
Town, State and zip code
(253)299-1250
Facsimile number

Surety:
Travelers Casualty and Surety Company of America
Name
12100 NE 195th Street, Suite 200
Street address
Bothell, WA 98011
Town, state and zip code
(425)486-2136
Facsimile number

8. Default

A. If the Principal fails to complete the Improvements, as required hereunder in a timely manner then the Town shall notify the Principal and the Surety that the Improvements must be completed to the satisfaction of the Town Public Works Department within thirty days from the date of the Notice. If the Improvements are not so completed and approved within said thirty day period then the Surety, upon written demand by the Town, shall immediately tender to the Town the full amount of the Performance Bond and the Town will complete the improvements, deduct from the amount tendered the Town Costs, and refund the remainder, if any, to the surety.

B. If the Principal fails to maintain the Improvements, as required hereunder, then the Town shall notify the Principal and Surety that the Improvements must be repaired to

the satisfaction of the Town Public Works Department within 10 days from the date of the Notice. If the Improvements are not repaired and approved within said 10 day period, then the Surety shall tender to the Town the full amount of the Performance bond, and the Town shall retain that amount until the end of the maintenance period. If at the end of the maintenance period the tendered monies have not been expended for Town Costs associated with Improvement maintenance, then the remaining amount shall be refunded to the Surety.

C. If the amount of the Performance Bond is inadequate to pay for Town Costs, either because the Town Costs exceed the Bond amounts or the Surety is no longer solvent or fails to timely tender the appropriate amount, then the Town shall forthwith notify the Principal and he shall tender the deficiency to the Town within five days of said notification. If the Town commences legal action to collect said deficiency then the prevailing party in said legal action shall be entitled to judgment for their reasonable costs and attorney fees incurred therein. Each Principal is jointly and severally liable for the obligations set forth herein.

8. Modification.

This document cannot be modified, nor the obligations created hereunder terminated, without the Town's express written consent.

PRINCIPAL:

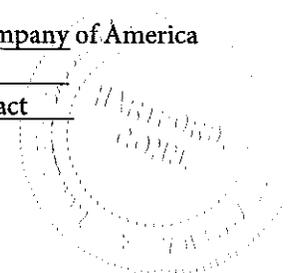
~~Apply A-Line, Inc.~~
By: ~~_____~~
Title Michael Liljestrom, President

SURETY:

~~Travelers Casualty and Surety Company of America~~
By: ~~_____~~
Title Jim S. Kuich, Attorney-in-fact

Accept by the Town of Eatonville this ___ day of _____ 2015.

By: _____
Title: _____





POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 229329

Certificate No. 006309928

KNOW ALL MEN BY THESE PRESENTS: That Farmington Casualty Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company are corporations duly organized under the laws of the State of Connecticut, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Darlene Jakielski, Julie M. Glover, S.M. Scott, Michael A. Murphy, Jim W. Doyle, Andy D. Prill, Jim S. Kuich, Chad M. Epple, Steve Wagner, Theresa A. Lamb, Ted Baran, and Carol Lowell

of the City of Bothell, State of Washington, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 27th day of April, 2015.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By: [Signature]
Robert L. Raney, Senior Vice President

On this the 27th day of April, 2015, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2016.



[Signature]
Marie C. Tetreault, Notary Public

**DECLARATION OF OPTION FOR MANAGEMENT
OF STATUTORY RETAINED PERCENTAGE**

Note: This form must be submitted at the time the Contractor executes the contract. Contractor shall designate the option desired by checking the appropriate space.

Monies reserved under provisions of RCW 60.28, at the option of the Contractor, shall be:

 X (1) Retained in a fund by the Owner.

 (2) Deposited by the Owner in an interest-bearing account in a bank, mutual savings bank or savings and loan association.

 (3) Placed in escrow with a bank or trust company by the Owner.* When the monies reserved are to be placed in escrow, the Owner will issue a check representing the sum of the monies reserved payable to the bank or trust company and the Contractor jointly. Such check shall be converted into bonds and securities chosen by the Contractor and approved by the Owner and the bonds and securities held in escrow. The Contractor in choosing option (2) or (3) agrees to assume full responsibility to pay all costs which may accrue from escrow services, brokerage charges or both, and further agrees to assume all risks in connection with the investment of the retained percentages in securities.



Contractor Signature

 07/30/15

Date

*For the convenience of those Contractors choosing option (3) a Town approved Form of Escrow Agreement is available upon request. The Contractor is not required to use this Escrow Agreement form, however, alternative forms will need to be approved prior to execution by the Town.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/22/2015

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 Hub International Northwest LLC 12100 NE 195th St. Suite 200 Bothell, WA 98011	CONTACT NAME:	
	PHONE (A/C, No, Ext): (425) 489-4500	FAX (A/C, No): (425) 485-8489
	E-MAIL ADDRESS: now.info@hubinternational.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : The Travelers Indemnity Company of Connecticut	25682
	INSURER B : Travelers Indemnity Company of America	25666
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

INSURED

Apply-A-Line, Inc.
175 Roy Road SW, Bldg C
Pacific, WA 98047

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> WA STOP GAP \$1M GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X	X	DTCO527D0566PHX14	10/01/2014	10/01/2015	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000
							MED EXP (Any one person)	\$ 10,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 2,000,000
							PRODUCTS - COMP/OP AGG	\$ 2,000,000
								\$
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			BA527D056614CNS	10/01/2014	10/01/2015	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB DED RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
	<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	N/A			PER STATUTE	OTH-ER
							E.L. EACH ACCIDENT	\$
							E.L. DISEASE - EA EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$

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

RE: AAL #113A4530; PAINT AND THERMOPLASTIC CROSSWALKS & STOP BARS (SMALL WORKS)

ADDITIONAL INSURED AS REQUIRED BY WRITTEN CONTRACT: TOWN OF EATONVILLE, ITS OFFICERS, AGENTS AND EMPLOYEES. COVERAGE IS PRIMARY AND NON-CONTRIBUTORY. COMPLETED OPERATIONS APPLIES. SEE ATTACHED ENDORSEMENT(S).

CERTIFICATE HOLDER

TOWN OF EATONVILLE
PO BOX 309
Eatonville, WA 98328

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

Jerry Decker

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**BLANKET ADDITIONAL INSURED
(CONTRACTORS)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. WHO IS AN INSURED - (Section II) is amended to include any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:
 - a) Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
 - b) If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.
2. The insurance provided to the additional insured by this endorsement is limited as follows:
 - a) In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section III - Limits Of Insurance.
 - b) The insurance provided to the additional insured does not apply to "bodily injury", "property damage" or "personal injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
 - i. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
 - ii. Supervisory, inspection, architectural or engineering activities.
 - c) The insurance provided to the additional insured does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.
3. The insurance provided to the additional insured by this endorsement is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover under this endorsement. However, if the "written contract requiring insurance" specifically requires that this insurance apply on a primary basis or a primary and non-contributory basis, this insurance is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that "other insurance". But the insurance provided to the additional insured by this endorsement still is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under such "other insurance".
4. As a condition of coverage provided to the additional insured by this endorsement:
 - a) The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:
 - i. How, when and where the "occurrence" or offense took place;
 - ii. The names and addresses of any injured persons and witnesses; and

- iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b) If a claim is made or "suit" is brought against the additional insured, the additional insured must:
 - i. Immediately record the specifics of the claim or "suit" and the date received; and
 - ii. Notify us as soon as practicable.

The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c) The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit"; cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and otherwise comply with all policy conditions.
- d) The additional insured must tender the defense and indemnity of any claim or "suit" to any provider of "other insurance" which would cover the additional insured for a loss we cover under this endorsement. However, this condition does not affect whether the insurance provided to the additional insured by this endorsement is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured as described in paragraph 3. above.
5. The following definition is added to SECTION V. - DEFINITIONS:

"Written contract requiring insurance" means that part of any written contract or agreement under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

 - a. After the signing and execution of the contract or agreement by you;
 - b. While that part of the contract or agreement is in effect; and
 - c. Before the end of the policy period.

CG D2 46 08 05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTRACTORS XTEND ENDORSEMENT

This endorsement modifies insurance provided under the following: COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

- A. Aircraft Chartered With Pilot
B. Damage To Premises Rented To You
C. Increased Supplementary Payments
D. Incidental Medical Malpractice
E. Who Is An Insured - Newly Acquired Or Formed Organizations
F. Who Is An Insured - Broadened Named Insured - Unnamed Subsidiaries
G. Blanket Additional Insured - Owners, Managers Or Lessors Of Premises
H. Blanket Additional Insured - Lessors Of Leased Equipment
I. Blanket Additional Insured - States Or Political Subdivisions - Permits
J. Knowledge And Notice Of Occurrences Or Offense
K. Unintentional Omission
L. Blanket Waiver Of Subrogation
M. Amended Bodily Injury Definition
N. Contractual Liability - Railroads

PROVISIONS

- A. AIRCRAFT CHARTERED WITH PILOT
The following is added to Exclusion 9., Aircraft, Auto Or Watercraft, in Paragraph 2. of SECTION I - COVERAGES - COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY:
This exclusion does not apply to an aircraft that is:
(a) Chartered with a pilot to any insured;
(b) Not owned by any insured; and
(c) Not being used to carry any person or property for a charge.

DAMAGE TO PREMISES RENTED TO YOU

- 1. The first paragraph of the exceptions in Exclusion J., Damage To Property, in Paragraph 2. of SECTION I - COVERAGES - COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY is deleted.

- 2. The following replaces the last paragraph of Paragraph 2., Exclusions, of SECTION I - COVERAGES - COVERAGE A. BODILY

INJURY AND PROPERTY DAMAGE LIABILITY:

Exclusions c. and g. through n. do not apply to "premises damage". Exclusion 4.(1)(a) does not apply to "premises damage" caused by:

- a. Fire;
b. Explosion;
c. Lightning;
d. Smoke resulting from such fire, explosion, or lightning; or
e. Water;
unless Exclusion f. of Section I - Coverage A - Bodily Injury And Property Damage Liability is replaced by another endorsement to this Coverage Part that has Exclusion - All Pollution Injury Or Damage or Total Pollution Exclusion in its title.

- A separate limit of insurance applies to "premises damage" as described in Paragraph 6. of SECTION III - LIMITS OF INSURANCE.

SECTION III - LIMITS OF INSURANCE:

Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "premises damage" to any one premises. The Damage To Premises Rented To You Limit will apply to all "property damage" proximately caused by the same "occurrence", whether such damage results from fire, explosion, lightning, smoke resulting from such fire, explosion, or lightning; or water; or any combination of any of these causes. The Damage To Premises Rented To You Limit will be:

- a. The amount shown for the Damage To Premises Rented To You Limit on the Declarations of this Coverage Part; or
b. \$300,000 if no amount is shown for the Damage To Premises Rented To You Limit on the Declarations of this Coverage Part.

DEFINITIONS:

- 4. The following replaces Paragraph a. of the definition of "insured contract" in the DEFINITIONS Section:
a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "premises damage" is not an "insured contract".

PREMISES DAMAGE:

- 5. The following is added to the DEFINITIONS Section:
"Premises damage" means "property damage" to:
a. Any premises while rented to you or temporarily occupied by you with permission of the owner; or
b. The contents of any premises while such premises is rented to you, if you rent such premises for a period of seven or fewer consecutive days.

COMMERCIAL GENERAL LIABILITY CONDITIONS:

- 6. The following replaces Paragraph 4.b.(1)(b) of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS:
(b) That is insurance for "premises damage"; or
7. Paragraph 4.b.(1)(c) of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS is deleted.

INCREASED SUPPLEMENTARY PAYMENTS

- 1. The following replaces Paragraph 1.b. of SUPPLEMENTARY PAYMENTS - COVERAGES A AND B of SECTION I - COVERAGE:
b. Up to \$2,500 for 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.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B of SECTION I - COVERAGES:

- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

INCIDENTAL MEDICAL MALPRACTICE

- 1. The following is added to the definition of "occurrence" in the DEFINITIONS Section:
"Occurrence" also means an act or omission committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to a person.

WHO IS AN INSURED:

The following is added to Paragraph 2.a.(1) of Paragraph 1.(1)(d) above does not apply to "bodily injury" arising out of providing or failing to provide:

- (f) "Incidental medical services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.
(f) First aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

COMMERCIAL GENERAL LIABILITY

3. The following is added to Paragraph 5. of SECTION III - LIMITS OF INSURANCE:

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

4. The following exclusion is added to Paragraph 2. Exclusions, of SECTION I - COVERAGE - COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

Sale of Pharmaceuticals
"Bodily injury" or "property damage" arising out of the willful violation of a penal statute or ordinance relating to the sale of pharmaceuticals committed by, or with the knowledge or consent of, the insured.

5. The following is added to the DEFINITIONS Section:

"Incidental medical services" means:
a. Medical, surgical, dental, laboratory, x-ray or nursing service or treatment, advice or instruction, or the related furnishing of food or beverages; or

b. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances.

"Good Samaritan services" means any emergency medical services for which no compensation is demanded or received.

6. The following is added to Paragraph 4.b., Excess Insurance, of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS:

The insurance is excess over any valid and collectible other insurance available to the insured, whether primary, excess, contingent or on any other basis, that is available to any of your "employees" or "volunteer workers" for "bodily injury" that arises out of providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to any person to the extent not subject to Paragraph 2.a.(1) of Section II - Who is An Insured.

E. WHO IS AN INSURED - NEWLY ACQUIRED OR FORMED ORGANIZATIONS

The following replaces Paragraph 4. of SECTION II - WHO IS AN INSURED:

COMMERCIAL GENERAL LIABILITY

4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, of which you are the sole owner or in which you maintain the majority ownership interest, will qualify as a Named Insured if there is no other insurance which provides similar coverage to that organization. However:

a. Coverage under this provision is afforded only:

(1) Until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, if you do not report such organization in writing to us within 180 days after you acquire or form it; or

(2) Until the end of the policy period, when that date is later than 180 days after you acquire or form such organization, if you report such organization in writing to us within 180 days after you acquire or form it, and we agree in writing that it will continue to be a Named Insured until the end of the policy period.

b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage B does not apply to "personal injury" or "advertising injury" arising out of an offense committed before you acquired or formed the organization.

F. WHO IS AN INSURED - BROADENED NAMED INSURED - UNNAMED SUBSIDIARIES

The following is added to SECTION II - WHO IS AN INSURED:

Any of your subsidiaries, other than a partnership, joint venture or limited liability company, that is not shown as a Named Insured in the Declarations is a Named Insured if you maintain an ownership interest of more than 50% in such subsidiary on the first day of the policy period.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal injury" or "advertising injury" caused by an offense committed after the date, if any, during the policy period, that you no longer maintain an ownership interest of more than 50% in such subsidiary.

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G. BLANKET ADDITIONAL INSURED - OWNERS, MANAGERS OR LESSORS OF PREMISES

The following is added to SECTION II - WHO IS AN INSURED:

Any person or organization that is a premises owner, manager or lessor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" that:

a. is "bodily injury" or "property damage" that occurs, or is "personal injury" or "advertising injury" caused by an offense that is committed, subsequent to the execution of that contract or agreement; and

b. Arises out of the ownership, maintenance or use of that part of any premises leased to you.

The insurance provided to such premises owner, manager or lessor is subject to the following provisions:

a. The limits of insurance provided to such premises owner, manager or lessor will be the minimum limits which you agreed to provide in the written contract or agreement, or the limits shown on the Declarations, whichever are less.

b. The insurance provided to such premises owner, manager or lessor does not apply to:

- (1) Any "bodily injury" or "property damage" that occurs, or "personal injury" or "advertising injury" caused by an offense that is committed, after you cease to be a tenant in that premises; or
- (2) Structural alterations, new construction or demolition operations, performed by or on behalf of such premises owner, lessor or manager.

c. The insurance provided to such premises owner, manager or lessor is excess over any valid and collectible other insurance available to such premises owner, manager or lessor, whether primary, excess, contingent or on any other basis, unless you have agreed in the written contract or agreement that this insurance must be primary to, or non-contributory with, such other insurance, in which case this insurance will be primary to, and non-contributory with, such other insurance.

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H. BLANKET ADDITIONAL INSURED - LESSORS OF LEASED EQUIPMENT

The following is added to SECTION II - WHO IS AN INSURED:

Any person or organization that is an equipment lessor and that you have agreed in a written contract or agreement to include as an insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" that:

a. is "bodily injury" or "property damage" that occurs, or is "personal injury" or "advertising injury" caused by an offense that is committed, subsequent to the execution of that contract or agreement; and

b. Is caused, in whole or in part, by your acts or omissions in the maintenance, operation or use of equipment leased to you by such equipment lessor.

The insurance provided to such equipment lessor is subject to the following provisions:

a. The limits of insurance provided to such equipment lessor will be the minimum limits which you agreed to provide in the written contract or agreement, or the limits shown on the Declarations, whichever are less.

b. The insurance provided to such equipment lessor does not apply to any "bodily injury" or "property damage" that occurs, or "personal injury" or "advertising injury" caused by an offense that is committed, after the equipment lease expires.

c. The insurance provided to such equipment lessor is excess over any valid and collectible other insurance available to such equipment lessor, whether primary, excess, contingent or on any other basis, unless you have agreed in the written contract or agreement that this insurance must be primary to, or non-contributory with, such other insurance, in which case this insurance will be primary to, and non-contributory with, such other insurance.

I. BLANKET ADDITIONAL INSURED - STATES OR POLITICAL SUBDIVISIONS - PERMITS

The following is added to SECTION II - WHO IS AN INSURED:

Any state or political subdivision that has issued a permit in connection with operations performed by you or on your behalf and that you are required

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by any ordinance, law or building code to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of such operations.

The insurance provided to such state or political subdivision does not apply to:

- a. Any "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of operations performed for that state or political subdivision, or
b. Any "bodily injury" or "property damage" included in the "products-completed operations hazard".

J. KNOWLEDGE AND NOTICE OF OCCURRENCE OR OFFENSE

The following is added to Paragraph 2., Duties In The Event of Occurrence, Offense, Claim or Suit, of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS:

a. The following provisions apply to Paragraph a. above, but only for the purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1., or 2. of Section II - Who is An Insured:

- (1) Notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint venture), any of your managers who is an individual (if you are a limited liability company), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture or limited liability company) or any "employees" authorized by you to give notice of an "occurrence" or offense.

- (2) If you are a partnership, joint venture or limited liability company, and none of your partners, joint venture members or managers are individuals, notice to us of such "occurrences" or offense must be given as soon as practicable only after the "occurrence" or offense is known by:

- (a) Any individual who is:
(i) A partner or member of any partnership or joint venture;

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(ii) A manager of any limited liability company; or

(iii) An executive officer or director of any other organization;

that is your partner, joint venture member or manager; or

- (b) Any "employee" authorized by such partnership, joint venture, limited liability company or other organization to give notice of an "occurrence" or offense.

- (3) Notice to us of such "occurrence" or of an offense will be deemed to be given as soon as practicable if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice to us of the "occurrence" or offense as soon as practicable after any of the persons described in Paragraphs e. (1) or (2), above discovers that the "occurrence" or offense may result in sums to which the insurance provided under this Coverage Part may apply.

However, if this Coverage Part includes an endorsement that provides limited coverage for "bodily injury" or "property damage" or pollution costs arising out of a discharge, release or escape of "pollutants" which contains a requirement that the discharge, release or escape of "pollutants" must be reported to us within a specific number of days after its abrupt commencement, this Paragraph e. does not affect that requirement.

K. UNINTENTIONAL OMISSION

The following is added to Paragraph 6., Representations, of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS:

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

L. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph 8., Transfer Of Rights Of Recovery Against Others To Us, of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS:

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If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

- a. "Bodily injury" or "property damage" that occurs; or
b. "Personal injury" or "advertising injury" caused by an offense that is committed; subsequent to the execution of that contract or agreement.

The following replaces the definition of "bodily injury" in the DEFINITIONS Section.

M. AMENDED BODILY INJURY DEFINITION

The following replaces the definition of "bodily injury" in the DEFINITIONS Section.

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

N. CONTRACTUAL LIABILITY - RAILROADS

The following replaces Paragraph c. of the definition of "insured contract" in the DEFINITIONS Section:

- c. Any easement or license agreement;
2. Paragraph f.(1) of the definition of "insured contract" in the DEFINITIONS Section is deleted.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

DESIGNATED PROJECT(S) GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designated Project(s):
EACH "PROJECT" FOR WHICH YOU HAVE AGREED, IN A WRITTEN CONTRACT WHICH IS IN EFFECT DURING THIS POLICY PERIOD, TO PROVIDE A SEPARATE GENERAL AGGREGATE LIMIT, PROVIDED THAT THE CONTRACT IS SIGNED AND EXECUTED BY YOU BEFORE THE "BODILY INJURY" OR "PROPERTY DAMAGE" OCCURS.

Designated Project
General Aggregate(s):
GENERAL AGGREGATE
LIMIT SHOWN ON THE
DECLARATIONS

1. Any payments made under **COVERAGE A**, for damages or under **COVERAGE C**, for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and
 2. Such payments shall not reduce any Designated Project General Aggregate Limit.
- C. Part 2. of SECTION III - LIMITS OF INSURANCE** is deleted and replaced by the following:

2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Damages under **Coverage B**; and
 - b. Damages from "occurrences" under **COVERAGE A (SECTION I)** and for all medical expenses caused by accidents under **COVERAGE C (SECTION I)** which cannot be attributed only to operations at a single designated "project" shown in the **SCHEDULE** above.

- D. When coverage for liability arising out of the "products-completed operations hazard" is provided,

any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Project General Aggregate Limit.

- E. For the purposes of this endorsement the **Definitions Section** is amended by the addition of the following definition:

"Project" means an area away from premises owned by or rented to you at which you are performing operations pursuant to a contract or agreement. For the purposes of determining the applicable aggregate limit of insurance, each "project" that includes premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad shall be considered a single "project".

- F. The provisions of **SECTION III - LIMITS OF INSURANCE** not otherwise modified by this endorsement shall continue to apply as stipulated.

- A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **COVERAGE A (SECTION I)**, and for all medical expenses caused by accidents under **COVERAGE C (SECTION I)**, which can be attributed only to operations at a single designated "project" shown in the Schedule above:
 1. A separate Designated Project General Aggregate Limit applies to each designated "project", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations, unless separate Designated Project General Aggregate(s) are scheduled above.

2. The Designated Project General Aggregate Limit is the most we will pay for the sum of all damages under **COVERAGE A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under **COVERAGE C**, regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".

3. Any payments made under **COVERAGE A**, for damages or under **COVERAGE C**, for medical expenses shall reduce the Designated Project General Aggregate Limit for that designated "project". Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Project General Aggregate Limit for any other designated "project" shown in the Schedule above.

4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Project General Aggregate Limit.

- B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **COVERAGE A (SECTION I)**, and for all medical expenses caused by accidents under **COVERAGE C (SECTION I)**, which cannot be attributed only to operations at a single designated "project" shown in the Schedule above: