

**RESOLUTION NO. 19-42**

**RESOLUTION OF THE LOS ALTOS HILLS COUNTY FIRE DISTRICT AUTHORIZING EXECUTION OF PROFESSIONAL SERVICES AGREEMENT BETWEEN THE LOS ALTOS HILLS COUNTY FIRE DISTRICT AND G. BORTOLOTTO & CO., INC. FOR ADJUSTMENT TO HYDRANT VALVE BOXES AND REPAIRING.**

**WHEREAS**, the Town of Los Altos Hills contracted with G. Bortolotto & Co. Inc. (“Bortolotto”) as low bidder for a pavement rehabilitation and drainage improvement project that will occur on or about October 21, 2019 (“Town Project”); and

**WHEREAS**, the work performed for the Town Project will necessitate that the certain hydrant valve boxes are adjusted and repainted; and

**WHEREAS**, the Los Hills County Fire District (“Fire District”) does not have the staff or expertise to perform the necessary work; and

**WHEREAS**, as part of its bid to the Town of Los Altos Hills, Bortolotto provided pricing for the necessary work; and

**WHEREAS**, the Fire District has contacted Bortolotto and performed a site visit to determine which valve boxes will need adjusting and repainting after the Town Project is complete; and

**WHEREAS**, Fire District and Bortolotto now desire to enter into an agreement for Bortolotto to adjust and repaint the hydrant valves as more particularly described in the Scope of Work included in the Professional Services Agreement between the Los Altos Hills County Fire District and G. Bortolotto & Co., Inc. for Adjustment to Hydrant Valve Boxes and Repainting (“Agreement”) attached hereto as Exhibit 1 for an amount not to exceed Fourteen Thousand Nine Hundred Dollars (\$14,900); and

**WHEREAS**, Fire District Board has reviewed and considered and wishes to enter into the Agreement.

**NOW, THEREFORE**, the District Board does **RESOLVE** as follows:

1. Public interest and convenience require the District to enter into the Agreement attached hereto as Exhibit 1.
2. The Fire District hereby authorizes execution of the Agreement.

**PASSED AND ADOPTED** this 15<sup>th</sup> day of October 2019.

By: \_\_\_\_\_  
Mark Warren, Board President

ATTEST:

\_\_\_\_\_  
District Clerk



**PROFESSIONAL SERVICES AGREEMENT BETWEEN THE LOS ALTOS HILLS  
COUNTY FIRE DISTRICT AND G. BORTOLOTTO & CO., INC. FOR  
ADJUSTMENT TO HYDRANT VALVE BOXES AND REPAINTING**

This Professional Services Agreement (“Agreement”) is made effective as of the 15th day of October 2019 (“Effective Date”), by and between the Los Altos Hills County Fire District, (“District”) and G. Bortolotto & Co., Inc. (“Consultant”) (collectively, “Parties”).

**RECITAS**

A. The District desires to retain the professional services of Consultant as an independent contractor to provide services to the District, as described in more detail in Exhibit 1. Consultant will work with the District to adjust hydrant valve boxes to grade and paint valve boxes where required as a result of the Town of Los Altos Hills’ recent repaving work.

B. Consultant represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW, THEREFORE, in consideration of performance by the Parties of the promises, covenants and conditions contained herein, the Parties hereby agree as follows:

1. **SCOPE AND LEVEL OF SERVICES.** The nature, scope and level of the specific services to be performed by Consultant are as set forth in detail in Exhibit 1 attached hereto (“Services”).
2. **STANDARD OF PERFORMANCE.** As a material inducement to the District to enter into this Agreement, Consultant hereby represents and warrants that it has the qualifications and experience necessary to undertake the Services to be provided pursuant to this Agreement. Consultant agrees to use that degree of care and skill ordinarily exercised under similar circumstances by members of Consultant's profession and in a manner reasonably satisfactory to the District. Consultant hereby covenants that it shall follow professional standards in performing all Services required hereunder and will perform the services to a standard of reasonable professional care. If Consultant requests, and District approves, in writing, use of any subcontractors, Consultant shall be solely responsible for ensuring that the subcontractors meet the work standards and insurance requirements required of Consultant under this Agreement.

3. TERM. This Agreement shall terminate on December 31, 2019, or after all Services as set forth in Exhibit 1 required hereunder have been satisfactorily completed by Consultant, whichever occurs first, or unless earlier terminated pursuant to Section 15, below.
4. COMPLIANCE WITH LAW. All Services rendered hereunder by Consultant shall be provided in accordance with all ordinances, resolutions, statutes, rules and regulations of the District, and any federal, state or local governmental agency having jurisdiction in effect at the time the service is rendered. Such compliance with the law shall include, but not be limited to, compliance with any and all applicable prevailing wage regulations and Department of Industrial Relations concerning registration.
  - 4.1 The Consultant shall comply with California Labor Code Sections 1770 to 1780, inclusive, when applicable. When applicable, and in accordance with said Section 1775, the Consultant shall forfeit as a penalty to an amount determined by the Labor Commissioner, not to exceed Fifty Dollars (\$50) for each calendar day or portion thereof for each worker paid less than stipulated prevailing wage rates for such work or craft in which such worker is employed for any work done under the Agreement by it or by any subcontractor under it in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 to 1780, inclusive. In addition to said penalty and pursuant to said Section 1775, the difference between such stipulated prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the stipulated prevailing wage rate shall be paid to each worker by the Consultant.
  - 4.2 Pursuant to the provisions of Section 1773 of the Labor Code, the District has obtained the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work applicable to the work to be done from the Director of the Department of Industrial Relations. Copies of the prevailing rates are on file at the District and are available to any interested party on request. Such wage rates must be prominently posted at the project site.
  - 4.3 The District will not recognize any claim for additional compensation because of the payment by the Consultant of any wage rate in excess of the prevailing wage rate set forth in this Agreement. The possibility of wage increases is one of the elements to be considered by the Consultant in determining its bid, and will not under any circumstances be considered as the basis of a claim against the District on the Agreement.
  - 4.4 The Consultant's attention is directed to the following provisions of Labor Code Section 1776. The Consultant shall be responsible for the compliance with these provisions, when applicable.
  - 4.5 The Consultant shall keep an accurate payroll record, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed or subcontractor hired by it in connection with the Services performed under this Agreement.
  - 4.6 The payroll records shall be certified and shall be provided to the District as they become available, when required by law. Consultant is obligated to submit all certified payroll records directly to the Department of Industrial Relations (DIR) in electronic format, when required by law.
  - 4.7 A certified copy of an employee's payroll record shall be made available for inspection or furnished to such employee or his or her authorized representative on request.
  - 4.8 Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, any penalties shall be withheld from progress payments then due.

- 4.9 The penalties specified in subdivision (h) of Labor Code Section 1776 for noncompliance with the provisions of said Section 1776 may be deducted from any monies due or which may become due to the Consultant.
- 4.10 The Consultant and each subcontractor shall preserve their payroll records for a period of three (3) years from the date of completion of the Agreement.
- 4.11 The Consultant represents and warrants that the proper Prevailing Wage Rates and Classifications and the wages it shall pay are the Prevailing Wage Rates of Laborer and Related Classification determination NC-23-102-1-2019-2.
5. COMPENSATION. The Services performed by Consultant pursuant to this Agreement shall be compensated as set forth below:
- 5.1 Payment Schedule. District shall compensate Consultant based on the fees set forth in Exhibit 1, but in no event shall the total compensation paid to Consultant for Services performed under this Agreement exceed Fourteen Thousand Nine Hundred Dollars (\$14,900). Consultant shall be compensated for Services actually performed in compliance with Exhibit 1. Payment shall not be made until Consultant submits an invoice identifying the specific work performed (“Invoice”).
- 5.2 Payment. For all Services performed by Consultant under this Agreement, payment shall be made by District in accordance with Santa Clara County Payroll Department schedule upon submittal by District of invoice for Services. Consultant shall submit Invoices for Services to the District’s General Manager on the 15th day of each month.
- 5.3 Records of Expenses. Consultant shall keep accurate records of work performed and expenses incurred. These records shall be made available to District upon request. Consultant shall keep all such records for at least Four (4) years after the date Services are performed. Consultant understands that the Public Records Act may apply to documents created under this Agreement. This section shall survive Termination of this Agreement.
- 5.4 Invoices. All Invoices shall be sent directly to the following address:  
Los Altos Hills County Fire District  
Attn: General Manager  
P.O. Box 1766  
Los Altos, CA 94023
6. REPRESENTATIVE. Robert Bortolotto is hereby designated as the representative of Consultant authorized to act on its behalf with respect to the Services specified herein. It is expressly understood that the experience, knowledge, capability and reputation of Robert Bortolotto were a substantial inducement for District to enter into this Agreement. Therefore, Robert Bortolotto shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. The representative may not be changed by Consultant without the express written approval of the District.

7. INDEPENDENT CONTRACTOR. Consultant is, and shall at all times remain as to the District, a wholly independent contractor and not an agent or employee of District. Consultant shall receive no premium or enhanced pay for work normally understood as overtime, nor shall Consultant receive holiday pay, sick leave, administrative leave, or pay for any other time not actually worked. The intention of the Parties is that Consultant shall not be eligible for benefits and shall receive no compensation from the District except as expressly set forth in this Agreement. Consultant shall have no power to incur any debt, obligation, or liability on behalf of the District or otherwise act on behalf of the District as an agent. Neither the District, nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall at no time, or in any manner, represent that it or any of its agents or employees are in any manner employees of the District. Consultant agrees to pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold the District harmless from any and all taxes, assessments, penalties, and interest asserted against the District by reason of the independent contractor relationship created by this Agreement. Consultant shall fully comply with the worker's compensation law regarding Consultant and Consultant's employees. Consultant further agrees to indemnify and hold the District harmless from any failure of Consultant to comply with applicable worker's compensation laws. ]
8. CONFIDENTIALITY. Consultant, in the course of its duties, may have access to financial, accounting, statistical and personal data of private individuals and employees of the District. Consultant covenants that all data, documents, discussion, or other information developed and received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by the District. The District shall grant such authorization if disclosure is required by law. Upon request, all District data shall be returned to the District upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.
9. OWNERSHIP OF MATERIAL. All reports, documents, or other materials developed, discovered or received shall be and remain the property of the District without restriction or limitation on their use. Consultant shall provide the District with the originals (or copies if no originals exist) of these items upon demand or upon termination of this Agreement.
10. CONFLICT OF INTEREST. Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by Consultant under this Agreement, or which would conflict in any manner with the performance of its services hereunder. Consultant further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, Consultant shall avoid the appearance of having any interest which would conflict in any manner with the performance of its services pursuant to this Agreement. Consultant agrees not to accept any employment or representation during the term of this Agreement which is or may make Consultant "financially interested" (as provided in California

Government Code Sections 1090 and 87100) in any decision made by the District on any matter in connection with which Consultant has been retained pursuant to this Agreement. Nothing in this section shall, however, preclude Consultant from accepting other engagements with the District.

11. ASSIGNABILITY; SUBCONTRACTING. The Parties agree that the expertise and experience of Consultant are material considerations for this Agreement. Consultant shall not assign, transfer, or subcontract any interest in this Agreement, nor the performance of any of Consultant's obligations hereunder, without the prior written consent of the District, and any attempt by Consultant to do so shall be void and of no effect and a breach of this Agreement.

12. INDEMNIFICATION.

12.1 To the fullest extent permitted by law, Consultant shall defend (with counsel reasonably approved by District), indemnify and hold District, the District Board of Commissioners, members of the District Board of Commissioners, its employees, representatives, agents and volunteers harmless from any and all suits, damages, costs, fees, claims, demands, causes of action, liabilities, losses expenses, damage or injury of any kind, in law or equity, to property or persons, including wrongful death and financial losses (collectively, "Claims") in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Consultant or Consultant's officers, assistants, subcontractors, employees or agents in connection with the performance of Consultant's Services or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses.

12.2 Notwithstanding the foregoing, to the extent Consultant's Services are subject to Civil Code Section 2782.8, (Design Professionals) the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to Claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant.

12.3 With regard to Consultant's professional services, Consultant agrees to use that degree of care and skill ordinarily exercised under similar circumstances by members of Consultant's profession, including without limitation adherence to all applicable safety standards. To the fullest extent permitted by law, Consultant shall defend (with counsel reasonably approved by District), indemnify and hold District, the District Board of Commissioners, members of the District Board of Commissioners, its employees, representatives, agents and volunteers harmless from any and all indemnify, defend (with independent counsel approved by the District) and hold harmless the District, and its elective or appointive boards, officers, and employees from and against all liabilities, including without limitation all Claims that arise out of, pertain to, or relate to the negligence, reckless, or willful misconduct of Consultant or Consultant's officers, assistants, subcontractors, employees or agents in connection with the performance of Consultant's Services or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and

attorneys' fees and other related costs and expenses. The acceptance of said services and duties by District shall not operate as a waiver of such right of indemnification.

12.4 The District does not and shall not waive any rights that it may possess against Consultant because of the acceptance by the District or the deposit with the District of any insurance policy or certificate required pursuant to this Agreement. These hold harmless and indemnification provisions shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

12.5 Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by District, the District Board of Commissioners, members of the District Board of Commissioners, its employees, or authorized volunteers.

12.6 Consultant's obligations set forth in Paragraphs 12.1-12.5 shall survive termination of the Agreement.

13. INSURANCE REQUIREMENTS. Consultant shall procure, maintain and provide appropriate types and amounts of insurance for the Services performed under this Agreement, as required by District's Insurance Requirement, as set forth in Exhibit 2 (Insurance Requirements), against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by Consultant, its agents, representatives, employees, contractors or subcontractors. Consultant shall name the District as an additional indemnified party and an additional Insured. Consultant shall provide the District with documentation evidencing the above. This paragraph shall survive termination of the Agreement.

14. SUSPENSION. The District may, in writing, order Consultant to suspend all or any part of Consultant's Services under this Agreement for the convenience of the District, or for work stoppages beyond the control of the District or the Consultant. Subject to the provisions of this Agreement relating to termination, a suspension of work does not void this Agreement. In the event that work is suspended for a period exceeding one hundred twenty (120) days, the schedule and cost for completion of the work will be adjusted by mutual consent of the parties.

15. TERMINATION.

15.1 This Agreement may be terminated by either the District or Consultant following seven (7) days written notice of intention to terminate. In the event the Agreement is terminated, Consultant shall be paid for any services properly performed and authorized to the last working day the Agreement is in effect and Consultant shall not be entitled to any other compensation. Consultant shall substantiate the final cost of services by an itemized, written statement submitted to the District. The District's right of termination shall be in addition to all other remedies available under law to the District.

15.2 In the event of termination, Consultant shall deliver to the District copies of all reports, documents, and other work prepared by Consultant under this Agreement, if any. If Consultant's written work is stored electronically, Consultant shall, in addition to providing a written copy of the information

shall provide the District with the electronic files. District shall not pay Consultant for services performed by Consultant through the last working day the Agreement is in effect unless and until Consultant has delivered the above described items to the District.

16. NOTICES. Any notices, bills, invoices, reports or other communications required or permitted to be given under this Agreement shall be given in writing by personal delivery, by facsimile transmission with verification of receipt or by U.S. mail, postage prepaid, and return receipt requested, addressed to the respective parties as follows:

To District:	To Consultant:
President	Robert Bortolotto
Los Altos Hills County Fire District	G. Bortolotto & Company, Inc.
P.O. Box 1766	582 Bragato Road
Los Altos, CA 94023-1766	San Carlos, CA 94070

Notice shall be deemed communicated on the earlier of actual receipt or forty-eight (48) hours after deposit in the U.S. mail, the date of delivery shown on deliverer's receipt, or by acknowledgment of facsimile transmission.

17. 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, supplies, materials, or equipment provided to District for a minimum period of Four (4) years, or for any longer period required by law, from the date of final payment to Consultant pursuant to this Agreement. Consultant understands that the Public Records Act may apply to documents created under this Agreement and Consultant covenants and agrees to assist District in responding to Public Record Act Requests at no additional cost to District. Consultant agrees that the Consultant's covenants under this Section shall survive the termination of this Agreement.
18. PUBLICATION. Except as necessary for the performance of Services, no copies, sketches or graphs of materials, including graphic artwork, which are prepared pursuant to this Agreement shall be released by Consultant to any other person or agency without prior written approval of District. All press releases, including graphic display information to be published in newspapers or magazines, shall be approved and distributed solely by District, unless otherwise provided by written agreement between the Parties.
19. CALIFORNIA LAW. This Agreement shall be construed in accordance with the laws of the State of California.
20. COOPERATION. In the event any claim or action is brought against the District related to Consultant's Services performed under this Agreement, Consultant shall



render any reasonable assistance and cooperation which District might require, at no cost to the District. This Section shall survive termination of the Agreement.

21. NON-WAIVER OF TERMS, RIGHTS AND REMEDIES. Waiver by either party of any breach or violation of any one or more terms or conditions of this Agreement shall not be deemed to be a waiver of any other term or condition contained herein or a waiver of any subsequent breach or violation of the same or any other term or condition. Acceptance by the District of the performance of any work or services by Consultant shall not be deemed to be a waiver of any term or condition of this Agreement. In no event shall the District's making of any payment to Consultant constitute or be construed as a waiver by the District of any breach of this Agreement, or any default which may then exist on the part of Consultant, and the making of any such payment by the District shall in no way impair or prejudice any right or remedy available to the District with regard to such breach or default.
22. NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental handicap, or medical condition. Consultant will take affirmative action to ensure that employees are treated without regard to race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental handicap, or medical condition.
23. VENUE. In the event that any party to this Agreement commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the venue for any litigation shall be Santa Clara County.
24. EXHIBITS. All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement.
25. SUCCESSORS. This Agreement is binding on successors, legal representatives, and assigns and shall not be assigned by Consultant without the prior written consent of the District.
26. RIGHT TO USE OTHER CONSULTANTS. District reserves the right to use other consultants in connection with the Services performed under this Agreement.
27. PRIOR AGREEMENTS AND AMENDMENTS; ENTIRE AGREEMENT. This Agreement, and any other documents incorporated herein by specific reference, represent the entire and integrated agreement between the District and Consultant. This Agreement supersedes all prior oral and written negotiations, representations or agreements. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may only be modified by a written amendment duly executed by the parties to this Agreement. Any amendment relating to compensation for Consultant shall be for only a not-to-exceed sum.

28. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single agreement. This Agreement may be executed by way of facsimile or electronic signature.

29. SEVERABILITY. If any part of this Agreement or any amendment or modification of this Agreement is found to be legally void or unenforceable by a court of law, the remainder of the Agreement will remain in full force and effect.

**IN WITNESS WHEREOF**, the District and Consultant have executed this Agreement effective as of the date written above.

**DISTRICT:**

By:

\_\_\_\_\_  
Mark Warren, District President

**CONSULTANT:**

By:

\_\_\_\_\_  
Robert Bortolotto, Owner

\_\_\_\_\_  
EIN:

**ATTEST:**

\_\_\_\_\_  
District Secretary

# G. Bortolotto & Company, Inc.



## EXHIBIT 1 - Scope of Work

# QUOTATION

582 Bragato Road  
San Carlos, CA 94070  
P: 650.595.2591 F: 650.595.0718  
gbort@pacbell.net

DIR No. 1000002795 Exp. 6-30-20  
License No. 397341A Exp. 1-31-21

October 7, 2019

Los Altos Hills County Fire District  
Attn: Denise Gluham (831) 809-0117

Jorgenson, Siegel, McClure and Flegel, LLP  
Attn: Dan Siegel (650) 324-9300 ext. 103  
1100 Alma St, Ste. 210  
Menlo Park, CA 94025

**RE: Town of Los Altos Hills, 2019 Pavement Rehabilitation and Drainage Improvement Project**

G. Bortolotto & Company proposes to perform all of the work and provide materials for the completion of the work described below for the process indicated:

Description	Est. Qty.	Unit	Unit Price	Total Price
Adjust Water Valves	14	EA	\$ 650.00	\$ 9,100.00
Blue Dot / Pavement Markers	14	EA	\$ 35.00	\$ 490.00
Repaint Lids	14	EA	\$ 100.00	\$ 1,400.00

Inclusions: Equipment, Trucking, Labor, Materials, Mobilization, Traffic Control.

Exclusions: Weekend or Night Work.

Notations: Billing will be based on unit cost per installed quantity.

Unit price is equivalent to project bid price.

Work to begin on or after October 21, 2019

Painting of Valve Box Lids to be performed only on those raised to grade by G. Bortolotto forces.

### TERM AND CONDITIONS

The foregoing proposal made by G. Bortolotto & Company, hereinafter referred to as the contractor, will expire (at the option of the contractor) within 15 days from the date hereof, unless accepted within said time. The customer agrees to pay the charges for the above described work, plus any charge for extras, in full at the office of the contractor upon completion. (Any alteration or deviation from the above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate.) Progress payments for work in progress shall be made on the 10<sup>th</sup> day of the month following the date of billing. No adjustments or allowance will be made unless a claim in writing is filed with the contractor at his office within ten (10) days from the completion of work. No credit or adjustment will be allowed by the contractor unless made in writing by an authorized agent of the contractor. The customer shall not be allowed any offset or credit for personal injuries sustained or for property damage claimed against the contractor since the contractor maintains public liability insurance. In the event payment is not made in accordance with the term and conditions set forth herein, the unpaid balance shall bear a delinquency charge of 1 1/2 % per month and in the event an action be commenced for the collection of the unpaid balance, the customer agrees to pay a reasonable attorney's fee. It is understood that the contractor will not be responsible for any damage caused to any underground services in connection with the above-mentioned construction. Said damage will be the sole responsibility of the customer.

ACCEPTANCE: We hereby accept the foregoing proposal and do hereby authorize you to proceed with the work.

**NOTE:** Please complete Signature, Company Name and Date in Blue Ink and return.

NO work will commence until signed acceptance is received.

Signature: \_\_\_\_\_ Company Name: \_\_\_\_\_ Date: \_\_\_\_\_

Under the MECHANIC'S LIEN LAW (California Civil Code, Section 3109 etseq.), any contractor, subcontractor, laborer, supplier or other person who helps to improve your property but is not paid for his work or supplies has a right to enforce a claim against your property. This means that, after a court hearing, your property could be sold by a court officer and proceeds of the sale used to satisfy the indebtedness. This can happen even if you have paid your own contractor in full, if the subcontractor, laborer or supplier remains unpaid.

G. Bortolotto & Company

By: 

## EXHIBIT 2

### INSURANCE REQUIREMENTS

CONSULTANT shall provide its insurance broker(s)/agent(s) with a copy of these requirements and request that they provide Certificates of Insurance complete with copies of all required endorsements to: **General Manager, Los Altos Hills County Fire District (DISTRICT), P.O. Box 1766, Los Altos, CA 94023.**

#### Minimum Scope of Insurance

Coverage shall be *at least as broad as*:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, with limits no less than **\$2,000,000 or \$4,000,000 aggregate per occurrence**. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit. CGL insurance must include coverage for the following:
  - a. Bodily Injury and Property Damage
  - b. Personal Injury/Advertising Injury
  - c. Premises/Operations Liability
  - d. Products/Completed Operations Liability
  - e. Aggregate Limits that Apply per Project
  - f. Explosion, Collapse and Underground (UCX) exclusion deleted
  - g. Contractual Liability with respect to this Agreement
  - h. Broad Form Property Damage
  - i. Independent Contractor Coverage

The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; (3) products/completed operations liability; or (4) contain any other exclusion contrary to the Agreement.

2. **Automobile Liability:** Insurance Services Office Form Number CA 00 01 covering, Code 1 (any auto), or if CONSULTANT has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation/Employer's Liability:** CONSULTANT certifies that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and it will comply with such provisions before commencing work under this Agreement. To the extent CONSULTANT has employees at any time during the term of this Agreement, at all times during the performance of the work under this Agreement CONSULTANT shall maintain insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.

4. **Umbrella or Excess Liability: Umbrella or Excess Insurance.** If umbrella or an excess liability insurance policy is used to satisfy the minimum requirements for CGL or Automobile Liability insurance coverage listed above, the umbrella or excess liability policies shall provide coverage at least as broad as specified for the underlying coverages and covering those insured in the underlying policies. Coverage shall be “pay on behalf,” with defense costs payable in addition to policy limits. CONSULTANT shall provide a “follow form” endorsement or schedule of underlying coverage satisfactory to DISTRICT indicating that such coverage is subject to the same terms and conditions as the underlying liability policy.
5. DISTRICT, its officers, officials, employees, and volunteers are to be covered as additional insureds on the umbrella or excess policy with respect to liability arising out of work or operations performed by or on behalf of the CONSULTANT including materials, parts or equipment furnished in connection with such work or operations. If CONSULTANT maintains broader coverage, umbrella or excess coverage and/or higher limits than the minimums shown above, DISTRICT requires and shall be entitled to the broader coverage, umbrella or excess coverage and/or the higher limits maintained by CONSULTANT. Any available insurance proceeds in excess of the specified minimum limits of insurance and any other coverages shall be available to DISTRICT.

**Other Insurance Provisions.** The insurance policies are to contain, or be endorsed to contain, the following provisions:

**Additional Insured Status.** DISTRICT, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy and the Automobile Liability policy, with endorsements under CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage, with respect to liability arising out of work or operations performed by or on behalf of the CONSULTANT including materials, parts or equipment furnished in connection with such work or operations.

**Primary Coverage.** For any claims related to this Agreement, the CONSULTANT’s insurance coverage shall be primary insurance as respects DISTRICT, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by DISTRICT, its officers, officials, employees, or volunteers shall be excess of the CONSULTANT’s insurance and shall not contribute with it.

**Notice of Cancellation.** Each insurance policy required above shall be endorsed to state that coverage shall not be canceled except after thirty (30) days’ prior written notice (10 days for non-payment) has been given to DISTRICT.

**Waiver of Subrogation.** CONSULTANT hereby grants to DISTRICT a waiver of any right to subrogation which any insurer of said CONSULTANT may acquire against DISTRICT by virtue of the payment of any loss under such insurance. CONSULTANT agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not FIRE DISTRICT has received a waiver of subrogation endorsement from the insurer.

**Deductibles and Self-Insured Retentions.** Any deductibles or self-insured retentions must be declared to and approved by DISTRICT. DISTRICT may require the CONSULTANT to provide

proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

**Acceptability of Insurers.** Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to DISTRICT.

**Claims Made Policies.** If any of the required policies provide claims-made coverage:

6. The Retroactive Date must be shown, and must be before the date of the Agreement or the beginning of Services.
7. Insurance must be maintained and evidence of insurance must be provided *for at least three (3) years after completion of the Services.*
8. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the Agreement effective date, the CONSULTANT must purchase "extended reporting" coverage for a minimum of *three (3)* years after completion of Services.

**Verification of Coverage.** CONSULTANT shall furnish DISTRICT with original certificates and amendatory endorsements effecting coverage required by this clause. All certificates and endorsements are to be received and approved by DISTRICT before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONSULTANT's obligation to provide them. DISTRICT reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

**Special Risks or Circumstances.** DISTRICT reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.