DATE: December 11, 2018

TO: Mayor and Council Members

FROM: Public Works Department

SUBJECT: Agreement with Hadronex DBA SmartCover® Systems for the Annual Renewal of Maintenance Services

RECOMMENDATION:
It is recommended that the Mayor and Council Members approve a three (3) year Agreement with Hadronex DBA SmartCover® Systems, for the annual renewal of total maintenance services in the amount of $157,760 (Sewer).

BACKGROUND:
The City of Inglewood (City) sewer collection system is comprised of approximately 145 miles of gravity sewer pipe and more than 3,100 manholes. The system is maintained by the Public Services Division of the Public Works Department. In accordance with the City’s Sewer System Management Plan and the State’s Wastewater Discharge requirements, the City must inspect, assess and maintain the sanitary sewer system in good repair, including programs to prevent or minimize sanitary sewer overflows (SSO).

If undetected an SSO can discharge untreated sewage into the environment before reaching sewage treatment facilities, causing high concentrations of bacteria to discharge into the ocean, which can fail to comply with the State’s Wastewater Discharge requirements and cause a notice of violation and potential fines.

In 2014, staff determined that the use of a sewer monitoring system would prove advantageous in detecting future sewer system overflows. After a thorough product evaluation and feedback received from other municipalities, the SmartCover® by Hadronex (SmartCover®) was selected.

DISCUSSION:
The SmartCover® technology provides continuous real-time data transmitted through two-way wireless remote sensors installed under the manhole cover and is viewed in a web-based interface. Should wastewater levels rise above normal conditions, the sensors send a high water alarm to City staff. This notification feature provides City staff with the ability to immediately identify and locate sewer flow level surges allowing for the effective deployment of labor and equipment to assess, contain and when possible prevent overflows.
Currently, there are thirty-four (34) SmartCover® sewer monitoring systems installed throughout the City at locations with a history of previous surcharges. Where installed, these monitoring systems have proven to save the City in subsequent fines, labor costs for emergency employee call-outs (overtime), and potential litigation expenses. Recently, the Department purchased an additional seven (7) monitoring systems. The SmartCovers will be installed at problematic locations.

After the first year of installation, SmartCover® offers a continued comprehensive services package which includes software support, data storage, maintenance, remote alarm management services, automatic upgrades, continued satellite connectivity, battery replacement and on-site repairs as needed. The Department recommends the Mayor and Council Members approve this three (3) year renewal of maintenance services agreement based on the exception to competitive bidding authorized by Inglewood Municipal Code, Section 2-198.1: (b) Standardization of Goods and/or Services.

“When goods and/or services are required to maintain consistent operation or function to an existing technology or public safety system or program already in use by the City, provided such purchases do not exceed the cost of two hundred fifty thousand dollars ($250,000.00).”

FINANCIAL/FUNDING ISSUES AND SOURCES:
Sufficient funds are available in the Fiscal Year 2018-2019 budget and will be allocated in subsequent fiscal years as outlined in the chart below:

### Year One

<table>
<thead>
<tr>
<th>Account Code</th>
<th>Description</th>
<th>Dollar Amount</th>
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</thead>
<tbody>
<tr>
<td>090.060.6042.44860</td>
<td>Sewer Fund – Public Works – Utilities Division – Storm Drain &amp; Sewer Maintenance</td>
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### Year Two

<table>
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<td>090.060.6042.44860</td>
<td>Sewer Fund – Public Works – Utilities Division – Storm Drain &amp; Sewer Maintenance</td>
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</table>

### Year Three

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<th>Account Code</th>
<th>Description</th>
<th>Dollar Amount</th>
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</thead>
<tbody>
<tr>
<td>090.060.6042.44860</td>
<td>Sewer Fund – Public Works – Utilities Division – Storm Drain &amp; Sewer Maintenance</td>
<td>$55,760</td>
</tr>
</tbody>
</table>

Total Maintenance Cost Over Three Years $157,760.00
LEGAL REVIEW VERIFICATION: [Signature]
The administrative staff has verified that the legal documents accompanying this report have been submitted to, reviewed and approved by, the Office of the City Attorney.

FINANCE REVIEW VERIFICATION: [Signature]
The administrative staff has verified that this report in its entirety, has been submitted to, reviewed and approved by, the Finance Department.

DESCRIPTION OF ANY ATTACHMENTS:
Attachment 1 - Agreement
Attachment 2 - Insurance
Attachment 3 - Business Tax Certificate
APPROVAL VERIFICATION SHEET

PREPARED BY:
Angie Primm, Management Assistant-Public Services
Joi L. Aldridge, Management Assistant
Barmeswar Rai, P.E., Water Resources

COUNCIL PRESENTER:
Louis A. Atwell, P.E., Public Works Director

DEPARTMENT HEAD APPROVAL:  
Louis A. Atwell, P.E., Public Works Director

ASSISTANT CITY MANAGER APPROVAL:  
David L. Esparza, Asst. City Manager/CFO

CITY MANAGER APPROVAL:  
Arrie Fields, City-Manager
EXHIBIT “A”
EXHIBIT A

Overview of Annual Renewals

Section 1: Overview

The purpose of the Annual Service Renewals is to provide users with both essential and optional services for continuous operations of SmartCover® and SmartFLOET™ systems.

- **Active Site Management (ASM)** is a **required service** for continuous receipt of connectivity, data storage, data access, technical support and much more (for complete details see Section 2 for details).
- **PowerPack™ Warranty**, while not essential, is the **highly recommended** method for optimizing battery performance and costs.
- **Parts (only) Warranty** - Extended is an **optional program** that assures users with minimal cost in the event of a parts failure.

Section 2: Services Description

**Active Site Management**

Active Site Management (ASM) is a comprehensive suite of support services for the SmartCover® system. ASM is an annual, per site service provided by SCS. ASM includes but is not limited to:

**Website & Data Hosting**

- **Website Hosting** - a dedicated, secure, customer website is set-up, hosted and maintained by SmartCover® Systems™. Being a cloud-based system, all support for any desired changes by the customer i.e., additions of new monitoring sites, are performed for them by the SCS Customer Service team.
- **Data Hosting** - All data is stored and accessible through a user interface on the customer website. ASM entitles customers to 24/7 access through any browser-based device and this service includes:
  - Unlimited number of users, each with secure user name and password.
  - Unlimited data storage
  - Unlimited time of storage
  - All data is the property of the customer. (Data may be downloaded at any time through the user interface.)
- **Website Maintenance** - SCS maintains redundant and highly secure servers for hosting the customer website and data. The servers are located in a third party, state-of-the-art facility featuring redundant power sources and high-quality environmental controls.
- **Website / Software Upgrades** - SCS regularly adds new user-features and tools to customer websites to enhance the functionality and capability for users. On average, one major upgrade is developed annually (i.e., SmartTrend™, see below for details) and at no additional charge provided that ASM fee are up to date. SCS also makes other improvements and upgrades on an ongoing basis. All improvements are fully documented and customer notifications are issued by Customer Service as they are implemented.
- **SmartTrend™** notifies and enable users to anticipate events at remote monitoring sites. SmartTrend™ automatically scans each remote site to assess data trends. Should it see a trend “anomaly”, it provides users an “Advisory” email message. This means that users now have an
EXHIBIT A

advanced, predictive method for identifying future issues such as SSO days or even weeks before they occur.

Technical Support

- **Operational Oversight** - The SCS Customer Service team monitors specific operational parameters of all installed, active systems including battery voltage, the radio signal strength and the communication to/from and the sensor.
- **Technical Support** - the SCS Customer Service team provide both telephone and online (email) support for both remote field units and the customer website. This service is offered by the SCS Customer Service team from 7 am to 5 pm Pacific time, Monday through Friday.
- **After Hours Support** - on an as-needed basis SCS can offer after-hours support as needed. In these instances, SCS Customer Service should be contacted doe details.
- **Field Service Coordination** - In the event that field service may be required, whether for warranty or non-warranty service, SCS coordinates the appropriate service to diagnose and repair remote field units.
- **Standard Reports** - SCS will support customers in the preparation of these reports for management or regulators.
- **Alarm Processing** — maintaining the infrastructure of the alarm contact system.

Communications

**Wireless Communications Connectivity** - SCS uses the high reliability, advanced Iridium satellite system as the communication backbone. This is a bi-directional communication system. Data and alarms and alerts are communicated from remote sites to the customer website.

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**PowerPack™ and PowerPack™ Warranty**

The SmartCover® PowerPack™ is a high power-density battery system designed for reliable, consistent delivery of power in the harsh wastewater environment.

- The PowerPack™ is housed in a urethane coated pack containing Lithium Thionyl Chloride primary batteries.
- Typically, the PowerPack™ provides one year of life and generally longer under normal operating conditions.
- PowerPack™ have a 10-year shelf life when unpowered.

The PowerPack™ Warranty provides one year of parts-only support meaning that should the PowerPack™ fail during the Warranty period, a new PowerPack™ will be supplied at no charge for the part or for shipping via ground. When the Warranty is purchased for an existing installation, please note that a PowerPack™ is not sent at that time.

Alternately, the SmartCover® system will provide notification through a Maintenance Alert re: “low battery”. This Alert provides adequate amount of time to receive and install the new PowerPack™ provided that expeditious action is taken by the user.
Parts Warranty Terms – Extended

Parts only, including:

- E Box,
- DSM (distance sensing module),
- Bracket
- Antenna (E-Dot, E-Square)

**NOTE:** Warranty extensions must be for **consecutive years**. Should a warranty be purchased after an initial year where it was not purchased then the previous year(s) must also be purchased.

**NOTE:** The two-year option provides a discount and providing that it is paid in-full at the beginning of the services period.

**NOTE:** This does not include the labor to test, exchange, replace or install these parts.
EXHIBIT “B”
EXHIBIT B

Year 1 of 3
Renewal Quotation
11/1/2018 – 10/31/2019
Renewal Quotation

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
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<th>Total</th>
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<td>This shows services for Water monitoring for the year 2018 to 2019</td>
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<tr>
<td>CP-0-3</td>
<td>Comprehensive Package - 3 years</td>
<td>34</td>
<td>1,360.00</td>
<td>46,240.00</td>
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<td></td>
<td>This is for Year 1 of 3</td>
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<td></td>
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<td></td>
<td>Period Covered: 11/1/2018 - 10/31/2019 (12 months)</td>
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<td></td>
<td></td>
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<tr>
<td>ASM-SC1R</td>
<td>Renewal: SmartLevel™ = ONE Year service, REQUIRED for system to function.</td>
<td>34</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td></td>
<td>Timing options: 5 min measurement, 5 or 10 min recording and 1 hour transmission.</td>
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<tr>
<td>PW-SC1R</td>
<td>Renewal: Power Warranty - Annual payment, 3 month protection.</td>
<td>34</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>EW-SC1R</td>
<td>Renewal: SmartLevel® System™ Warranty - ONE Year.</td>
<td>34</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td></td>
<td>Covers all systems parts except PowerPack™, PARTS ONLY.</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Extended Warr...</td>
<td>Labor Option for Extended Warranty</td>
<td>34</td>
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<td>0.00</td>
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<tr>
<td></td>
<td>1542 1124 Truro Street</td>
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<td>1543 506 E Ellis Street</td>
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<td></td>
<td>1544 68th Street Alley</td>
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<tr>
<td></td>
<td>2750 320 Queen &amp; Eucalyptus</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Terms and Conditions:
1. Payment due on or before renewal date expiration.
2. Late charges: A service charge of 1.5% per month will be added to all balances unpaid 30 days after renewal date. Accounts with past due balances may be subject to service suspension.
3. Quote Validity: This proposal will expire on your renewal date expiration.

We appreciate your business!

<table>
<thead>
<tr>
<th>Sales Tax (10.0%)</th>
</tr>
</thead>
<tbody>
<tr>
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<tr>
<td><strong>Total</strong></td>
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</table>
# Renewal Quotation

**Bill To:**
City of Inglewood  
Attention: Accounts Payable  
1 West Manchester Blvd  
Inglewood, CA 90301

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<tr>
<th>Date</th>
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<tr>
<td>8/15/2018</td>
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<td>2646</td>
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<th>Item</th>
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<tbody>
<tr>
<td>2791</td>
<td>10981 Atkinson</td>
</tr>
<tr>
<td>2792</td>
<td>727 Eucalyptus &amp; Hyde Park</td>
</tr>
<tr>
<td>2793</td>
<td>2518 W 108th St</td>
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<td>3072</td>
<td>340 West Plymouth Ave</td>
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<td>3073</td>
<td>4926 98th St</td>
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<tr>
<td>3074</td>
<td>1231 Flower St</td>
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<tr>
<td>3075</td>
<td>Manchester and Tamarack</td>
</tr>
<tr>
<td>3076</td>
<td>Hardy and Fir</td>
</tr>
<tr>
<td>3077</td>
<td>112th Prairie Ave</td>
</tr>
<tr>
<td>3549</td>
<td>Century Blvd and Rosewood Ave</td>
</tr>
<tr>
<td>3550</td>
<td>3629 West 116th St</td>
</tr>
<tr>
<td>3551</td>
<td>90th St and 7th Ave</td>
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<tr>
<td>3552</td>
<td>8201 2nd Ave</td>
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<tr>
<td>3553</td>
<td>7th and Arbor Vitae</td>
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<tr>
<td>3554</td>
<td>Brett St and Hillsdale St</td>
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<tr>
<td>3555</td>
<td>West and 76th Place</td>
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<tr>
<td>4374</td>
<td>Hillcrest Blvd and Inglewood</td>
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<tr>
<td>4375</td>
<td>74th Pl and West Blvd</td>
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<tr>
<td>4376</td>
<td>Myrtle and 99th St</td>
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<tr>
<td>4377</td>
<td>Buckler and Ellis</td>
</tr>
<tr>
<td>4378</td>
<td>77th St and 5th Ave</td>
</tr>
<tr>
<td>4379</td>
<td>113th St and Doty Ave (Slphon)</td>
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</tbody>
</table>

**Terms and Conditions:**
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<table>
<thead>
<tr>
<th>Sales Tax (10.0%)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>
SmartCover Systems, Inc.
2067 Wineridge Pl Suite E
Escondido, CA 92029
Phone: 760-291-1980
Fax: 760-291-1982

Remit PO to orders@smartcoversystems.com or
return this quote signed with PO number.

Renewal Quotation

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
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<tr>
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<td>3229 111th St</td>
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<td>117th and Dehn Ave</td>
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<tr>
<td>4596</td>
<td>2503 79th St</td>
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Date: 8/15/2018  P.O. No.: 2646

Terms and Conditions:
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We appreciate your business!

Sales Tax (10.0%)

Total
# Renewal Quotation

**Bill To:**

City of Inglewood  
Attention: Accounts Payable  
1 West Manchester Blvd  
Inglewood, CA 90301

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
<th>Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASM-RD-1R</td>
<td>Renewal: SmartRain™️ - Rain data service. Provides continued rain data for ONE site for ONE year.</td>
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<tr>
<td></td>
<td>4336 68th Street Alley</td>
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<td>4337 112th Prairie Ave</td>
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<td>4338 3629 West 116th St.</td>
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<tr>
<td></td>
<td>4339 Century Blvd. and Rosewood Ave.</td>
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<tr>
<td></td>
<td>The above Rain services will be included FREE OF CHARGE</td>
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<tbody>
<tr>
<td></td>
<td>$46,240.00</td>
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Signature for Approval

Page 4
EXHIBIT B

Year 2 of 3
Renewal Quotation
11/1/2019 – 10/31/2020
# Renewal Quotation

**Bill To:**

City of Inglewood  
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</table>
| CP-0:3 | Comprehensive Package + 3 years  
This is for Year 2 of 3  
Period Covered: 11/1/2019 - 10/31/2020 (12 months) | 41  | 1360.00 | 55,780.00 |
| ASM-SC1R | Renewal: SmartLevel™ - ONE Year service. REQUIRED for system to function. Timing options: 5 min measurement, 5 or 10 min recording and 1 hour transmission. | 41  | 0.00  | 0.00     |
| PW-SC1R | Renewal: Power Warranty: Annual payment. 3 month protection. | 41  | 0.00  | 0.00     |
| EW-SC1R | Renewal: SmartLevel® System™ Warranty- ONE Year. Covers all systems parts except PowerPack™- PARTS ONLY. | 41  | 0.00  | 0.00     |

Extended Warranty  
Labor Option for Extended Warranty  
1542 1124 Truro Street  
1543 506 E Ellis Street  
1544 68th Street Alley  
2790 320 Queen & Eucalyptus

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---

We appreciate your business!

**Sales Tax (10.0%)**

**Total**
Renewal Quotation

<table>
<thead>
<tr>
<th>City of Inglewood</th>
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</thead>
<tbody>
<tr>
<td>Attention: Accounts Payable</td>
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<tr>
<td>1 West Manchester Blvd</td>
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<tr>
<td>Inglewood, CA 90301</td>
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<th>Quote Number</th>
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<td>10961 Atkinson</td>
<td></td>
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</tr>
<tr>
<td>2792</td>
<td>727 Eucalyptus &amp; Hyde Park</td>
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<td></td>
</tr>
<tr>
<td>2793</td>
<td>2518 W 108th St</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>3072</td>
<td>340 West Plymouth Ave</td>
<td></td>
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<td>Manchester and Tamarack</td>
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<td>3076</td>
<td>Hardy and Fir</td>
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<tr>
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<td>112th Prairie Ave</td>
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<tr>
<td>3550</td>
<td>3529 West 116th St</td>
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</tr>
<tr>
<td>3551</td>
<td>90th St and 7th Ave</td>
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<tr>
<td>Total</td>
</tr>
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</table>
Renewal Quotation

Bill To:
City of Inglewood
Attention: Accounts Payable
1 West Manchester Blvd
Inglewood, CA 90301

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Sales Tax (10.0%)

Total
Renewal Quotation

Bill To:
City of Inglewood
Attention: Accounts Payable
1 West Manchester Blvd
Inglewood, CA 90301

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<tbody>
<tr>
<td>ASM-RD-1R</td>
<td>Renewal: SmartRain™ - Rain data service. Provides continued rain data for ONE site for ONE year.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4336 68th Street Alley</td>
<td>4</td>
<td></td>
<td>10.00</td>
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<td>4337 112th Prairie Ave</td>
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<td>4338 3629 West 116th St.</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>4339 Century Blvd. and Rosewood Ave.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>The above Rain services will be included FREE OF CHARGE</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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Sales Tax (10.0%)

Total $55,760.00
EXHIBIT B

Year 3 of 3
Renewal Quotation
11/1/2020 – 10/31/2021
# Renewal Quotation

**Bill To:**
City of Inglewood  
Attention: Accounts Payable  
1 West Manchester Blvd  
Inglewood, CA 90301

<table>
<thead>
<tr>
<th>Date</th>
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<tr>
<td>CP-O-3</td>
<td>This shows services for Water monitoring for the service year 2020 to 2021</td>
<td>41</td>
<td>1,360.00</td>
<td>55,760.00</td>
</tr>
<tr>
<td></td>
<td>This is for Year 3 of 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Period Covered: 11/1/2020 - 10/31/2021 (12 months)</td>
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<td></td>
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</tr>
<tr>
<td>ASM-SC1R</td>
<td>Renewal: SmartLevel™ - ONE Year service, REQUIRED for system to function.</td>
<td>41</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td></td>
<td>Timing options: 5 min measurement, 5 or 10 min recording and 1 hour</td>
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</tr>
<tr>
<td></td>
<td>transmission.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PW-5C1R</td>
<td>Renewal: Power Warranty: Annual payment: 3 month protection.</td>
<td>41</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>EW-SC1R</td>
<td>Renewal: SmartLevel® System™ Warranty - ONE Year</td>
<td>41</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td></td>
<td>Covers all systems except PowerPack™ - PARTS ONLY.</td>
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</tr>
<tr>
<td>Extended Warranty</td>
<td>Labor Option for Extended Warranty</td>
<td>41</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

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**Signature for Approval**

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<th>Item</th>
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<tbody>
<tr>
<td>2791</td>
<td>10961 Atkinson</td>
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<td>2792</td>
<td>727 Eucalyptus &amp; Hyde Park</td>
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<tr>
<td>2793</td>
<td>2518 W 108th St</td>
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<tr>
<td>3072</td>
<td>340 West Plymouth Ave</td>
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<td>3073</td>
<td>4925 98th St</td>
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<tr>
<td>3074</td>
<td>1231 Flower St</td>
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<tr>
<td>3075</td>
<td>Manchester and Tamarack</td>
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<tr>
<td>3076</td>
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<td>3077</td>
<td>112th Prairie Ave</td>
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<tr>
<td>3549</td>
<td>Century Blvd and Rosewood Ave</td>
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<tr>
<td>3550</td>
<td>3629 West 116th St</td>
</tr>
<tr>
<td>3551</td>
<td>90th St and 7th Ave</td>
</tr>
<tr>
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Renewal Quotation

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Plus 7 additional SINs with locations
These have not been assigned yet

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4337 112th Prairie Ave  
4338 3629 West 116th St.  
4339 Century Blvd. and Rosewood Ave.  
The above Rain services will be included FREE OF CHARGE | 4   |      | 0.00   |

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<tr>
<td></td>
<td>$55,760.00</td>
</tr>
</tbody>
</table>

Signature for Approval

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Page 4
ATTACHMENT NO. 2
CERTIFICATE OF LIABILITY INSURANCE

PRODUCER License #: OC36861
San Marcos-Alliant Insurance Services, Inc.
570 Rancheros Dr Ste 100
San Marcos, CA 92069

INSURED
Hadronex, Inc.,
dba: Smartcover Systems
2067 Wineridge Place Ste E
Escondido, CA 92029

CONTACT NAME
Sandy V Rodriguez
PHONE (760) 304-7120
FAX (760) 304-7748
EMAIL SRodriguez@alliant.com

INSURER AFFORDING COVERAGE
MAID #
INSURER A: Ohio Security Insurance Company
24082
INSURER B: American Fire and Casualty Company
24066
INSURER C: 
INSURER D: 
INSURER E: 
INSURER F: 

COVERAGE NUMBER: CERTIFICATE NUMBER:

REVISION NUMBER:

THIS CERTIFICATE 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.

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<th>INSR.</th>
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<td>ANY AUTO</td>
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<td>PROPERTY DAMAGE</td>
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<td>B</td>
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<td>OCCUR</td>
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<td>CLAIMS-MADE</td>
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<tr>
<td></td>
<td></td>
<td>OED RETENTION</td>
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WORKERS' COMPENSATION
AND EMPLOYERS' LIABILITY
Any Proprietor/Partner/Executive Officer/Member Excluded
(Mandatory in NH) N/A

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101; Additional Details Schedule, may be attached if more space is required)
Certificate holder is named as additional insured as respects to General Liability when required by written contract or agreement, for services provided by the named insured for the certificate holder per the attached endorsement. Primary and non contributory wording and waiver of subrogation apply with respects to General Liability when required by written contract or agreement per the attached endorsements.

CERTIFICATE HOLDER
City of Inglewood
1 Manchester Boulevard
Inglewood, CA 90301

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

The ACORD name and logo are registered marks of ACORD
THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY EXTENSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

INDEX

<table>
<thead>
<tr>
<th>SUBJECT</th>
<th>PAGE</th>
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<tbody>
<tr>
<td>NON-OWNED AIRCRAFT</td>
<td>2</td>
</tr>
<tr>
<td>NON-OWNED WATERCRAFT</td>
<td>2</td>
</tr>
<tr>
<td>PROPERTY DAMAGE LIABILITY – ELEVATORS</td>
<td>2</td>
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<tr>
<td>EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant’s Property Damage)</td>
<td>2</td>
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<tr>
<td>MEDICAL PAYMENTS EXTENSION</td>
<td>3</td>
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<tr>
<td>EXTENSION OF SUPPLEMENTARY PAYMENTS – COVERAGE A AND B</td>
<td>3</td>
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<tr>
<td>ADDITIONAL INSUREDs – BY CONTRACT, AGREEMENT OR PERMIT</td>
<td>3</td>
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<tr>
<td>PRIMARY AND NON-CONTRIBUTORY – ADDITIONAL INSURED EXTENSION</td>
<td>5</td>
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<tr>
<td>ADDITIONAL INSUREDs – EXTENDED PROTECTION OF YOUR “LIMITS OF INSURANCE”</td>
<td>6</td>
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<tr>
<td>WHO IS AN INSURED – INCIDENTAL MEDICAL ERRORS/MALPRACTICE AND WHO IS AN INSURED – FELLOW EMPLOYEE EXTENSION – MANAGEMENT EMPLOYEES</td>
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<td>NEWLY FORMED OR ADDITIONALLY ACQUIRED ENTITIES</td>
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<td>FAILURE TO DISCLOSE HAZARDS AND PRIOR OCCURRENCES</td>
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<td>KNOWLEDGE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT</td>
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</tr>
<tr>
<td>LIBERALIZATION CLAUSE</td>
<td>7</td>
</tr>
<tr>
<td>BODILY INJURY REDEFINED</td>
<td>7</td>
</tr>
<tr>
<td>EXTENDED PROPERTY DAMAGE</td>
<td>8</td>
</tr>
<tr>
<td>WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US – WHEN REQUIRED IN A CONTRACT OR AGREEMENT WITH YOU</td>
<td>8</td>
</tr>
</tbody>
</table>
With respect to coverage afforded by this endorsement, the provisions of the policy apply unless modified by the endorsement.

A. NON-OWNED AIRCRAFT

Under Paragraph 2, Exclusions of Section I – Coverage A - Bodily Injury And Property Damage Liability, exclusion g. Aircraft, Auto Or Watercraft does not apply to an aircraft provided:

1. It is not owned by any insured;
2. It is hired, chartered or loaned with a trained paid crew;
3. The pilot in command holds a currently effective certificate, issued by the duly constituted authority of the United States of America or Canada, designating her or him a commercial or airline pilot; and
4. It is not being used to carry persons or property for a charge.

However, the insurance afforded by this provision does not apply if there is available to the insured other valid and collectible insurance, whether primary, excess (other than insurance written to apply specifically in excess of this policy), contingent or on any other basis, that would also apply to the loss covered under this provision.

B. NON-OWNED WATERCRAFT

Under Paragraph 2, Exclusions of Section I – Coverage A - Bodily Injury And Property Damage Liability, Subparagraph (2) of exclusion g. Aircraft, Auto Or Watercraft is replaced by the following:

This exclusion does not apply to:

(2) A watercraft you do not own that is:

(a) Less than 52 feet long; and
(b) Not being used to carry persons or property for a charge.

C. PROPERTY DAMAGE LIABILITY – ELEVATORS

1. Under Paragraph 2, Exclusions of Section I – Coverage A - Bodily Injury And Property Damage Liability, Subparagraphs (3), (4) and (6) of exclusion j. Damage To Property do not apply if such “property damage” results from the use of elevators. For the purpose of this provision, elevators do not include vehicle lifts. Vehicle lifts are lifts or hoists used in automobile service or repair operations.

2. The following is added to Section IV – Commercial General Liability Conditions, Condition 4. Other Insurance, Paragraph b. Excess Insurance:

The insurance afforded by this provision of this endorsement is excess over any property insurance, whether primary, excess, contingent or on any other basis.

D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant’s Property Damage)

If Damage To Premises Rented To You is not otherwise excluded from this Coverage Part:

1. Under Paragraph 2, Exclusions of Section I - Coverage A - Bodily Injury and Property Damage Liability:

   a. The fourth from the last paragraph of exclusion j. Damage To Property is replaced by the following:

   Paragraphs (1), (3) and (4) of this exclusion do not apply to “property damage” (other than damage by fire, lightning, explosion, smoke, or leakage from an automatic fire protection system) to:

   (i) Premises rented to you for a period of 7 or fewer consecutive days; or
   (ii) Contents that you rent or lease as part of a premises rental or lease agreement for a period of more than 7 days.

   Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" to contents of premises rented to you for a period of 7 or fewer consecutive days.

   A separate limit of insurance applies to this coverage as described in Section III – Limits of Insurance.
b. The last paragraph of subsection 2. Exclusions is replaced by the following:

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

2. Paragraph 6. under Section III – Limits Of Insurance is replaced by the following:

6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of “property damage” to:

a. Any one premise:

1. While rented to you; or

2. While rented to you or temporarily occupied by you with permission of the owner for damage by fire, lightning, explosion, smoke or leakage from automatic protection systems; or

b. Contents that you rent or lease as part of a premises rental or lease agreement.

3. As regards coverage provided by this provision D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant’s Property Damage) - Paragraph 9.a. of Definitions is replaced with the following:

9.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 damage by fire, lightning, explosion, smoke, or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with the permission of the owner, or for damage to contents of such premises that are included in your premises rental or lease agreement, is not an "insured contract".

E. MEDICAL PAYMENTS EXTENSION

If Coverage C Medical Payments is not otherwise excluded, the Medical Payments provided by this policy are amended as follows:

Under Paragraph 1. Insuring Agreement of Section I – Coverage C – Medical Payments, Subparagraph (b) of Paragraph a. is replaced by the following:

(b) The expenses are incurred and reported within three years of the date of the accident; and

F. EXTENSION OF SUPPLEMENTARY PAYMENTS – COVERAGE A AND B

1. Under Supplementary Payments – Coversages A and B, Paragraph 1.b. is replaced by the following:

b. Up to $3,000 for 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.

2. Paragraph 1.d. is replaced by the following:

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.

G. ADDITIONAL INSURED - BY CONTRACT, AGREEMENT OR PERMIT

1. Paragraph 2. under Section II – Who Is An Insured is amended to include as an insured any person or organization whom you have agreed to add as an additional insured in a written contract, written agreement or permit. Such person or organization is an additional insured but only with respect to liability for “bodily injury”, “property damage” or “personal and advertising injury” caused in whole or in part by:

a. Your acts or omissions, or the acts or omissions of those acting on your behalf, in the performance of your on going operations for the additional insured that are the subject of the written contract or written agreement provided that the “bodily injury” or “property damage” occurs, or the “personal and advertising injury” is committed, subsequent to the signing of such written contract or written agreement; or
b. Premises or facilities rented by you or used by you; or

c. The maintenance, operation or use by you of equipment rented or leased to you by such person or organization; or

d. Operations performed by you or on your behalf for which the state or political subdivision has issued a permit subject to the following additional provisions:

(1) This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the operations performed for the state or political subdivision;

(2) This insurance does not apply to "bodily injury" or "property damage" included within the "completed operations hazard".

(3) Insurance applies to premises you own, rent, or control but only with respect to the following hazards:

   a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners, or decorations and similar exposures; or

   b) The construction, erection, or removal of elevators; or

   c) The ownership, maintenance, or use of any elevators covered by this insurance.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to Paragraph 1.a. above, a person's or organization's status as an additional insured under this endorsement ends when:

(1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

(2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

With respect to Paragraph 1.b. above, a person's or organization's status as an additional insured under this endorsement ends when their written contract or written agreement with you for such premises or facilities ends.

With respect to Paragraph 1.c. above, this insurance does not apply to any "occurrence" which takes place after the equipment rental or lease agreement has expired or you have returned such equipment to the lessor.

The insurance provided by this endorsement applies only if the written contract or written agreement is signed prior to the "bodily injury" or "property damage".

We have no duty to defend an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured as required in Paragraph b. of Condition 2. Duties In the Event Of Occurrence, Offense, Claim Or Suit under Section IV – Commercial General Liability Conditions.
2. With respect to the insurance provided by this endorsement, the following are added to Paragraph 2. Exclusions under Section I - Coverage A - Bodily Injury And Property Damage Liability:

This insurance does not apply to:

a. "Bodily injury" or "property damage" arising from the sole negligence of the additional insured.

b. "Bodily injury" or "property damage" that occurs prior to you commencing operations at the location where such "bodily injury" or "property damage" occurs.

c. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(2) Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

d. "Bodily injury" or "property damage" occurring after:

(1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

(2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

e. Any person or organization specifically designated as an additional insured for ongoing operations by a separate ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS endorsement issued by us and made a part of this policy.

3. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

a. Required by the contract or agreement; or

b. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

H. PRIMARY AND NON-CONTRIBUTORY ADDITIONAL INSURED EXTENSION

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

Condition 4. Other Insurance of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS is amended as follows:

a. The following is added to Paragraph a. Primary Insurance:

If an additional insured's policy has an Other Insurance provision making its policy excess, and you have agreed in a written contract or written agreement to provide the additional insured's coverage on a primary and noncontributory basis, this policy shall be primary and we will not seek contribution from the additional insured's policy for damages we cover.
b. The following is added to Paragraph b. Excess Insurance:

When a written contract or written agreement, other than a premises lease, facilities rental contract or agreement, an equipment rental or lease contract or agreement, or permit issued by a state or political subdivision between you and an additional insured does not require this insurance to be primary or primary and non-contributory, this insurance is excess over any other insurance for which the additional insured is designated as a Named Insured.

Regardless of the written agreement between you and an additional insured, this insurance is excess over any other insurance whether primary, excess, contingent or on any other basis for which the additional insured has been added as an additional insured on other policies.

I. ADDITIONAL INSUREDS - EXTENDED PROTECTION OF YOUR "LIMITS OF INSURANCE"

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

1. The following is added to Condition 2. Duties In The Event Of Occurrence, Offense, Claim or Suit:

An additional insured under this endorsement will as soon as practicable:

a. Give written notice of an "occurrence" or an offense that may result in a claim or "suit" under this insurance to us;

b. Tender the defense and indemnity of any claim or "suit" to all insurers whom also have insurance available to the additional insured; and

c. Agree to make available any other insurance which the additional insured has for a loss we cover under this Coverage Part.

d. We have no duty to defend or indemnify an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured.

2. The limits of insurance applicable to the additional insured are those specified in a written contract or written agreement or the limits of insurance as stated in the Declarations of this policy and defined in Section III - Limits of Insurance of this policy, whichever are less. These limits are inclusive of and not in addition to the limits of insurance available under this policy.

J. WHO IS AN INSURED - INCIDENTAL MEDICAL ERRORS / MALPRACTICE
WHO IS AN INSURED - FELLOW EMPLOYEE EXTENSION - MANAGEMENT EMPLOYEES

Paragraph 2.a.(1) of Section II - Who Is An Insured is replaced with the following:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1) (a) above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1) (a) or (b) above; or

(d) Arising out of his or her providing or failing to provide professional health care services. However, if you are not in the business of providing professional health care services or providing professional health care personnel to others, or if coverage for providing professional health care services is not otherwise excluded by separate endorsement, this provision (Paragraph (d)) does not apply.
Paragraphs (a) and (b) above do not apply to "bodily injury" or "personal and advertising injury" caused by an "employee" who is acting in a supervisory capacity for you. Supervisory capacity as used herein means the "employee’s" job responsibilities assigned by you, includes the direct supervision of other "employees" of yours. However, none of these "employees" are insured for "bodily injury" or "personal and advertising injury" arising out of their willful conduct, which is defined as the purposeful or willful intent to cause "bodily injury" or "personal and advertising injury", or caused in whole or in part by their intoxication by liquor or controlled substances.

The coverage provided by provision J. is excess over any other valid and collectable insurance available to your "employee".

K. NEWLY FORMED OR ADDITIONALLY ACQUIRED ENTITIES

Paragraph 3. of Section II - Who Is An Insured is replaced by the following:

3. Any organization you newly acquire or form and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization.

   However:

   a. Coverage under this provision is afforded only until the expiration of the policy period in which the entity was acquired or formed by you;

   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 and advertising injury" arising out of an offense committed before you acquired or formed the organization.

   d. Records and descriptions of operations must be maintained by the first Named Insured.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations or qualifies as an insured under this provision.

L. FAILURE TO DISCLOSE HAZARDS AND PRIOR OCCURRENCES

Under Section IV - Commercial General Liability Conditions, the following is added to Condition 6. Representations:

   Your failure to disclose all hazards or prior "occurrences" existing as of the inception date of the policy shall not prejudice the coverage afforded by this policy provided such failure to disclose all hazards or prior "occurrences" is not intentional.

M. KNOWLEDGE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

Under Section IV - Commercial General Liability Conditions, the following is added to Condition 2. Duties In The Event of Occurrence, Offense, Claim Or Suit:

   Knowledge of an "occurrence", offense, claim or "suit" by an agent, servant or "employee" of any insured shall not in itself constitute knowledge of the insured unless an insured listed under Paragraph 1. of Section II - Who Is An Insured or a person who has been designated by them to receive reports of "occurrences", offenses, claims or "suits" shall have received such notice from the agent, servant or "employee".

N. LIBERALIZATION CLAUSE

If we revise this Commercial General Liability Extension Endorsement to provide more coverage without additional premium charge, your policy will automatically provide the coverage as of the day the revision is effective in your state.

O. BODILY INJURY REDEFINED

Under Section V - Definitions, Definition 3. is replaced by the following:

3. "Bodily Injury" means physical injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death that results from such physical injury, sickness or disease.
P. EXTENDED PROPERTY DAMAGE

Exclusion a. of COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY is replaced by the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

Q. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US – WHEN REQUIRED IN A CONTRACT OR AGREEMENT WITH YOU

Under Section IV – Commercial General Liability Conditions, the following is added to Condition 8. Transfer Of Rights Of Recovery Against Others To Us:

We waive any right of recovery we may have against a person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard" provided:

1. You and that person or organization have agreed in writing in a contract or agreement that you waive such rights against that person or organization; and

2. The injury or damage occurs subsequent to the execution of the written contract or written agreement.
DESIGNATED INSURED - NONCONTRIBUTING

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

Schedule

Name of Person(s) or Organization(s):

- Blanket Additional Insured agreed written contract, agreement, permit

Regarding Designated Contract or Project:

- Work described in writing in the contract, agreement or permit.

Each person or organization shown in the Schedule of this endorsement is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in Section II of the Coverage Form.

The following is added to the Other Insurance Condition:

If you have agreed in a written agreement that this policy will be primary and without right of contribution from any insurance in force for an Additional Insured for liability arising out of your operations, and the agreement was executed prior to the "bodily injury" or "property damage", then this insurance will be primary and we will not seek contribution from such insurance.
THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO COVERAGE ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage afforded by this endorsement, the provisions of the policy apply unless modified by the endorsement.

COVERAGE INDEX

<table>
<thead>
<tr>
<th>SUBJECT</th>
<th>PROVISION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADDITIONAL INSURED BY CONTRACT, AGREEMENT OR PERMIT</td>
<td>3</td>
</tr>
<tr>
<td>ACCIDENTAL AIRBAG DEPLOYMENT</td>
<td>12</td>
</tr>
<tr>
<td>AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS</td>
<td>19</td>
</tr>
<tr>
<td>AMENDED FELLOW EMPLOYEE EXCLUSION</td>
<td>5</td>
</tr>
<tr>
<td>AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE</td>
<td>13</td>
</tr>
<tr>
<td>BROAD FORM INSURED</td>
<td>1</td>
</tr>
<tr>
<td>BODILY INJURY REDEFINED</td>
<td>22</td>
</tr>
<tr>
<td>EMPLOYEES AS INSURER (including employee hired auto)</td>
<td>2</td>
</tr>
<tr>
<td>EXTENDED CANCELLATION CONDITION</td>
<td>23</td>
</tr>
<tr>
<td>EXTRA EXPENSE – BROADENED COVERAGE</td>
<td>10</td>
</tr>
<tr>
<td>GLASS REPAIR – WAIVER OF DEDUCTIBLE</td>
<td>15</td>
</tr>
<tr>
<td>HIRED AUTO PHYSICAL DAMAGE (including employee hired auto and loss of use)</td>
<td>6</td>
</tr>
<tr>
<td>HIRED AUTO COVERAGE TERRITORY</td>
<td>20</td>
</tr>
<tr>
<td>LOAN / LEASE GAP</td>
<td>14</td>
</tr>
<tr>
<td>PARKED AUTO COLLISION COVERAGE (WAIVER OF DEDUCTIBLE)</td>
<td>16</td>
</tr>
<tr>
<td>PERSONAL EFFECTS COVERAGE</td>
<td>11</td>
</tr>
<tr>
<td>PHYSICAL DAMAGE – ADDITIONAL TRANSPORTATION EXPENSE COVERAGE</td>
<td>8</td>
</tr>
<tr>
<td>RENTAL REIMBURSEMENT</td>
<td>9</td>
</tr>
<tr>
<td>SUPPLEMENTARY PAYMENTS</td>
<td>4</td>
</tr>
<tr>
<td>TOWING AND LABOR</td>
<td>7</td>
</tr>
<tr>
<td>TWO OR MORE DEDUCTIBLES</td>
<td>17</td>
</tr>
<tr>
<td>UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS</td>
<td>18</td>
</tr>
<tr>
<td>WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US</td>
<td>20</td>
</tr>
</tbody>
</table>

SECTION II – LIABILITY COVERAGE is amended as follows:

1. BROAD FORM INSURED

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

   d. Any legally incorporated entity of which you own more than 50 percent of the voting stock during the policy period. However, “insured” does not include any organization that:

      (1) Is a partnership or joint venture; or

      (2) Is an insured under any other automobile policy; or

      (3) Has exhausted its Limit of Insurance under any other automobile policy.

   Paragraph d. (2) of this provision does not apply to a policy written to apply specifically in excess of this policy.

   e. Any organization you newly acquire or form, other than a partnership or joint venture, of which you own more than 50 percent of the voting stock. This automatic coverage is afforded only for 180 days from the date of acquisition or formation. However, coverage under this provision does not apply:

      (1) If there is similar insurance or a self-insured retention plan available to that organization;
(2) If the Limits of Insurance of any other insurance policy have been exhausted; or
(3) To "bodily injury" or "property damage" that occurred before you acquired or formed the organization.

2. EMPLOYEES AS INSURED

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

f. Any "employee" of yours while using a covered "auto" you do not own, hire or borrow, but only for acts within the scope of their employment by you. Insurance provided by this endorsement is excess over any other insurance available to any "employee".

g. An "employee" of yours while operating an "auto" hired or borrowed under a written contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business and within the scope of their employment. Insurance provided by this endorsement is excess over any other insurance available to the "employee".

3. ADDITIONAL INSURED BY CONTRACT, AGREEMENT OR PERMIT

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

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

However, such person or organization is an "insured":

(1) Only with respect to the operation, maintenance or use of a covered "auto";

(2) Only for "bodily injury" or "property damage" caused by an "accident" which takes place after you executed the written contract or agreement, or the permit has been issued to you; and

(3) Only for the duration of that contract, agreement or permit

4. SUPPLEMENTARY PAYMENTS

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

(2) Up to $3,000 for cost of bail bonds (including bonds for related traffic violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(4) All reasonable expenses incurred by the insured at our request, including actual loss of earnings up to $500 a day because of time off from work.

5. AMENDED FELLOW EMPLOYEE EXCLUSION

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

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

SECTION III – PHYSICAL DAMAGE COVERAGE is amended as follows:

6. HIRED AUTO PHYSICAL DAMAGE

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

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

a. You hire, rent or borrow; or
b. Your "employee" hires or rents under a written contract or agreement in that "employee[s]' name, but only if the damage occurs while the vehicle is being used in the conduct of your business, subject to the following limit and deductible:

A. The most we will pay for "loss" in any one "accident" or "loss" is the smallest of:

(1) $50,000; or

(2) The actual cash value of the damaged or stolen property as of the time of the "loss"; or

(3) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality, minus a deductible.

B. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage.

C. Subject to the limit, deductible and excess provisions described in this provision, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

D. Subject to a maximum of $1,000 per "accident", we will also cover the actual loss of use of the hired "auto" if it results from an "accident", you are legally liable and the lessor incurs an actual financial loss.

E. This coverage extension does not apply to:

(1) Any "auto" that is hired, rented or borrowed with a driver; or

(2) Any "auto" that is hired, rented or borrowed from your "employee".

For the purposes of this provision, SECTION V – DEFINITIONS is amended by adding the following: "Total loss" means a "loss" in which the cost of repairs plus the salvage value exceeds the actual cash value.

7. TOWING AND LABOR

SECTION III – PHYSICAL DAMAGE COVERAGE, paragraph A.2. Towing, is amended by the addition of the following:

We will pay towing and labor costs incurred, up to the limits shown below, each time a covered "auto" classified and rated as a private passenger type, "light truck" or "medium truck" is disabled:

a. For private passenger type vehicles, we will pay up to $50 per disablement.

b. For "light trucks", we will pay up to $50 per disablement. "Light trucks" are trucks that have a gross vehicle weight (GVW) of 10,000 pounds or less.

c. For "medium trucks", we will pay up to $150 per disablement. "Medium trucks" are trucks that have a gross vehicle weight (GVW) of 10,001 – 20,000 pounds.

However, the labor must be performed at the place of disablement.

8. PHYSICAL DAMAGE - ADDITIONAL TRANSPORTATION EXPENSE COVERAGE

Paragraph A.4.a., Coverage Extension of SECTION III – PHYSICAL DAMAGE COVERAGE, is amended to provide a limit of $50 per day and a maximum limit of $1,500.
9. RENTAL REIMBURSEMENT

SECTION III – PHYSICAL DAMAGE COVERAGE, A. COVERAGE, is amended by adding the following:

a. We will pay up to $75 per day for rental reimbursement expenses incurred by you for the rental of an "auto" because of "accident" or "loss", to an "auto" for which we also pay a "loss" under Comprehensive, Specified Causes of Loss or Collision Coverages. We will pay only for those expenses incurred after the first 24 hours following the "accident" or "loss" to the covered "auto".

b. Rental Reimbursement will be based on the rental of a comparable vehicle, which in many cases may be substantially less than $75 per day, and will only be allowed for the period of time it should take to repair or replace the vehicle with reasonable speed and similar quality, up to a maximum of 30 days.

c. We will also pay up to $500 for reasonable and necessary expenses incurred by you to remove and replace your tools and equipment from the covered "auto".

d. This coverage does not apply unless you have a business necessity that other "autos" available for your use and operation cannot fill.

e. If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided under Paragraph 4. Coverage Extension.

f. No deductible applies to this coverage.

For the purposes of this endorsement provision, materials and equipment do not include "personal effects" as defined in provision 11.

10. EXTRA EXPENSE - BROADENED COVERAGE

Under SECTION III – PHYSICAL DAMAGE COVERAGE, A. COVERAGE, we will pay for the expense of returning a stolen covered "auto" to you. The maximum amount we will pay is $1,000.

11. PERSONAL EFFECTS COVERAGE

A. SECTION III – PHYSICAL DAMAGE COVERAGE, A. COVERAGE, is amended by adding the following:

If you have purchased Comprehensive Coverage on this policy for an "auto" you own and that "auto" is stolen, we will pay, without application of a deductible, up to $600 for "personal effects" stolen with the "auto."

The insurance provided under this provision is excess over any other collectible insurance.

B. SECTION V – DEFINITIONS is amended by adding the following:

For the purposes of this provision, "personal effects" mean tangible property that is worn or carried by an insured. "Personal effects" does not include tools, equipment, jewelry, money or securities.

12. ACCIDENTAL AIRBAG DEPLOYMENT

SECTION III – PHYSICAL DAMAGE COVERAGE, B. EXCLUSIONS is amended by adding the following:

If you have purchased Comprehensive or Collision Coverage under this policy, the exclusion for "loss" relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

Any insurance we provide shall be excess over any other collectible insurance or reimbursement by manufacturer's warranty. However, we agree to pay any deductible applicable to the other coverage or warranty.

13. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE

SECTION III – PHYSICAL DAMAGE COVERAGE, B. EXCLUSIONS, exception paragraph a. to exclusions 4.c. and 4.d. is deleted and replaced with the following:
Exclusion 4.c. and 4.d. do not apply to:

a. Electronic equipment that receives or transmits audio, visual or data signals, whether or not designed solely for the reproduction of sound, if the equipment is permanently installed in the covered "auto" at the time of the "loss" and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto" and physical damage coverages are provided for the covered "auto"; or

If the "loss" occurs solely to audio, visual or data electronic equipment or accessories used with this equipment, then our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by a $100 deductible.

14. LOAN / LEASE GAP COVERAGE

A. Paragraph C., LIMIT OF INSURANCE of SECTION III – PHYSICAL DAMAGE COVERAGE is amended by adding the following:

The most we will pay for a "total loss" to a covered "auto" owned by or leased to you in any one "accident" is the greater of:

1. Balance due under the terms of the loan or lease to which the damaged covered "auto" is subject at the time of the "loss" less the amount of:
   a. Overdue payments and financial penalties associated with those payments as of the date of the "loss";
   b. Financial penalties imposed under a lease due to high mileage, excessive use or abnormal wear and tear;
   c. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease;
   d. Transfer or rollover balances from previous loans or leases;
   e. Final payment due under a "Balloon Loan";
   f. The dollar amount of any unrepaired damage which occurred prior to the "total loss" of a covered "auto";
   g. Security deposits not refunded by a lessor;
   h. All refunds payable or paid to you as a result of the early termination of a lease agreement or as a result of the early termination of any warranty or extended service agreement on a covered "auto";
   i. Any amount representing taxes;
   j. Loan or lease termination fees; or

2. The actual cash value of the damage or stolen property as of the time of the "loss".

An adjustment for depreciation and physical condition will be made in determining the actual cash value at the time of the "loss". This adjustment is not applicable in Texas.

B. ADDITIONAL CONDITIONS

This coverage applies only to the original loan for which the covered "auto" that incurred the loss serves as collateral, or lease written on the covered "auto" that incurred the loss.

C. SECTION V – DEFINITIONS is changed by adding the following:

As used in this endorsement provision, the following definitions apply:

"Total loss" means a "loss" in which the cost of repairs plus the salvage value exceeds the actual cash value.

A "balloon loan" is one with periodic payments that are insufficient to repay the balance over the term of the loan, thereby requiring a large final payment.
15. **GLASS REPAIR - WAIVER OF DEDUCTIBLE**

Paragraph D. Deductible of SECTION III – PHYSICAL DAMAGE COVERAGE is amended by the addition of the following:

No deductible applies to glass damage if the glass is repaired rather than replaced.

16. **PARKED AUTO COLLISION COVERAGE (WAIVER OF DEDUCTIBLE)**

Paragraph D. Deductible of SECTION III – PHYSICAL DAMAGE COVERAGE is amended by the addition of the following:

The deductible does not apply to "loss" caused by collision to such covered "auto" of the private passenger type or light weight truck with a gross vehicle weight of 10,000 lbs. or less as defined by the manufacturer as maximum loaded weight the "auto" is designed to carry while it is:

a. In the charge of an "insured";
b. Legally parked; and
c. Unoccupied.

The "loss" must be reported to the police authorities within 24 hours of known damage.

The total amount of the damage to the covered "auto" must exceed the deductible shown in the Declarations.

This provision does not apply to any "loss" if the covered "auto" is in the charge of any person or organization engaged in the automobile business.

17. **TWO OR MORE DEDUCTIBLES**

Under SECTION III PHYSICAL DAMAGE COVERAGE, if two or more company policies or coverage forms apply to the same accident, the following applies to paragraph D. Deductible:

a. If the applicable Business Auto deductible is the smaller (or smallest) deductible it will be waived; or
b. If the applicable Business Auto deductible is not the smaller (or smallest) deductible it will be reduced by the amount of the smaller (or smallest) deductible; or

c. If the loss involves two or more Business Auto coverage forms or policies the smaller (or smallest) deductible will be waived.

For the purpose of this endorsement company means any company that is part of the Liberty Mutual Group.

**SECTION IV – BUSINESS AUTO CONDITIONS** is amended as follows:

18. **UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS**

SECTION IV - BUSINESS AUTO CONDITIONS, Paragraph B.2. is amended by adding the following:

If you unintentionally fail to disclose any hazards, exposures or material facts existing as of the inception date or renewal date of the Business Auto Coverage Form, the coverage afforded by this policy will not be prejudiced.

However, you must report the undisclosed hazard of exposure as soon as practicable after its discovery, and we have the right to collect additional premium for any such hazard or exposure.

19. **AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT, OR LOSS**

**SECTION IV – BUSINESS AUTO CONDITIONS**, paragraph A.2.a. is replaced in its entirety by the following:

a. In the event of "accident", claim, "suit" or "loss", you must promptly notify us when it is known to:

1. You, if you are an individual;
2. A partner, if you are a partnership;
3. Member, if you are a limited liability company;
4. An executive officer or the "employee" designated by the Named Insured to give such notice, if you are a corporation.
To the extent possible, notice to us should include:

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

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

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

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

21. HIRED AUTO COVERAGE TERRITORY

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

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

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

SECTION V – DEFINITIONS is amended as follows:

22. BODILY INJURY REDEFINED

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

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

COMMON POLICY CONDITIONS

23. EXTENDED CANCELLATION CONDITION

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

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

**PRODUCER**
PAYCHEX INSURANCE AGENCY INC/PHS
76210756
150 SAWGRASS DRIVE
ROCHESTER NY 14620

**INSURED**
HADRONEX INC DBA SMART COVER SYSTEMS
2087 WINE RIDGE PL ST E
ESCONDIDO CA 92029

**CONTACT NAME:**
PHONE: (877) 287-1312
FAX: (888) 443-6112

**INSURER(S) AFFORDING COVERAGE**
INSURER A: Hartford Fire and Its P&C Affiliates
RAIC#: 00914

**COVERAGES**

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**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES**

Those usual to the Insured's Operations. Blanket Waiver of Subrogation applies in favor of the Certificate Holder per the Waiver of Our Right to Recover from Others. Endorsement WC040306, attached to this policy.

**CERTIFICATE HOLDER**
CITY OF INGLEWOOD
1 W MANCHESTER BLVD
INGLEWOOD CA 90301-1764

**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

Susan L. Castaneda

© 1988-2015 ACORD CORPORATION. All rights reserved.
THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

Policy Number: 76 WEG GH3220
Effective Date: 10/01/18
Named Insured and Address: HADRONEX INC
2067 WINERIDGE PL ST E
ESCONDIDO CA 92029

Endorsement Number: WC040306
Effective hour is the same as stated on the Information Page of the policy.

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2% of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

Person or Organization
Job Description
Any person or organization from whom you are required by written contract or agreement to obtain this waiver of rights from us

Countersigned by ____________________________________________
Authorized Representative

Form WC 04 03 06 (1) Printed in U.S.A.
Process Date: 08/21/18
Policy Expiration Date: 10/01/19
ATTACHMENT NO. 3
OUTSIDE CITY BUSINESS TAX

The person, firm or corporation named below is granted this certificate as evidence that the business has paid the required taxes to conduct business in City of Inglewood. This certificate is not a business license and it shall not be construed as authorizing the right to conduct or continue any business. This certificate is issued without verification that the taxpayer is subject to or exempt from licensing by the State of California.

Name: HADRONEX, INC.
Location: 2067 WINERIDGE PL, SUITE E
Owner Name: GREG QUIST

HADRONEX, INC.
2067 WINERIDGE PL, SUITE E
ESCONDIDO, CA 92029

OUTSIDE CITY BUSINESS TAX
Number: S-042417
Description: Miscellaneous
Issued Date: January 01, 2018
Expiration Date: December 31, 2018

TO BE POSTED IN A CONSPICUOUS PLACE

NOT TRANSFERABLE
ATTACHMENT NO. 1
AGREEMENT NO.: ______

THIS AGREEMENT is made and entered into this __________ day of __________, 2018, by and between the CITY OF INGLEWOOD ("City"), a municipal corporation, One Manchester Boulevard, Inglewood, California 90301; and HADRONEX INC., dba SMARTCOVER SYSTEM, ("Contractor") a Delaware corporation with a California corporate number of C3101113 and a local place of business located at 2067 Wineridge, Place Suite E, Escondido, California 92029.

RECITALS

WHEREAS, the City desires a contractor to detect and notify the City prior to a Sanitary Sewer Overflow ("SSO"); and

WHEREAS, a SSO is an episode where untreated sewage is discharged into the environment prior to reaching sewage treatment facilities, causing high concentrations of bacteria to discharge into the ocean; and

WHEREAS, the City purchased certain sewer manhole covers from the Contractor called SmartCovers which the Contractor will monitor to provide the City ongoing sewer monitoring and advanced notice possible problems; and

WHEREAS, this agreement will engage the Contractor to provide said monitoring services to the City for three (3) years.

NOW, THEREFORE, the City and the Contractor (hereinafter collectively referred to as the “Parties”) hereto mutually agree as follows:

ARTICLE 1 – SCOPE OF SERVICES

Contractor shall:

1. Provide such Services, in a professional manner, as provided in Exhibit “A,” a three (3) page document entitled “Overview of Annual Renewals,” provided by the Contractor.

2. Not deviate from Exhibit “B,” Fee Schedule and breakdown of, locations, and rates for various Services. Additionally, the Contractor shall service the following seven (7) location: 923 Flower St., 1014 Flower St., Oak/Buckthorn, Fir/Kelso, Laraway St.,
90th / Kareem court, 77th and 3rd Ave in the same way as locations listed in Exhibit “B.” Said seven locations are included in the Compensation contemplated by this Agreement.

3. Exhibit “A,” and “B,” is incorporated herein by this reference as if set forth in full. In the event of ambiguity, conflict, or inconsistent language, the order of precedence shall be (in descending order):
   a. This Agreement shall prevail over Exhibit “A,”
   b. Exhibit “A” shall prevail over Exhibit “B.”

4. Provide all labor, office space, transportation, materials, tools, machinery, equipment, and other items and services necessary to properly perform the services contemplated by this Agreement.

5. Ensure that all personnel engaged by Contractor to perform the services contemplated by this Agreement shall be properly licensed.

6. Agree to comply with and be bound by all applicable federal, state, county and local laws, rules and regulations.

7. Obtain, at its own expense, all necessary licenses and permits, including but not limited to those required by the City of Inglewood, to perform the services contemplated by this Agreement.

ARTICLE 2 – CITY’S DUTIES

The City hereby promises to provide all access, data, records, and documents reasonably within its possession or control as are necessary for the Contractor to perform the services contemplated by this Agreement.

ARTICLE 3 – TERM

This Agreement shall terminate at 11:59 pm, November 26, 2021, unless terminated earlier.
ARTICLE 4 – COMPENSATION

1. Contractor shall be paid, pursuant to Exhibit “B,” up to one hundred and fifty-seven thousand seven hundred and sixty dollars ($157,760), for work faithfully performed.

2. Contractor shall invoice the City every thirty (30) calendar days for services contemplated hereunder and which have been completed within that thirty (30) day period.

3. Fees in Article 4 of this Agreement represent full compensation for Contractor’s services rendered and include all compensation for any expenses incurred by Contractor for providing services including but not limited to travel, lodging, food, clerical, photo copying, telephone, and any other related expenses.

4. Contractor shall invoice City within ten (10) working days after the termination of this Agreement. City shall pay Contractor in the ordinary course of City business, and agrees that it will use its best efforts to avoid all unnecessary delays in processing Contractor’s invoices.

5. All invoices shall contain:
   a. date of invoice;
   b. sequential invoice number;
   c. City Agreement number;
   d. project code number and title;
   e. description of services billed under this invoice;
   f. position title and hours worked;
   g. total amount for invoiced services;
   h. total amount billed to date;
   i. total amount remaining on the Agreement, and total Agreement amount.

6. Contractor shall be responsible for the cost of supplying all documentation necessary to verify the monthly billings to the satisfaction of the City and shall
certify, on each invoice, that it is entitled to receive the amount invoiced.

7. Contractor agrees that cost shall not be the overriding factor when assigning its personnel to a task. However, Contractor shall nevertheless provide the services contemplated by this Agreement in a cost effective manner when and where reasonable.

8. Contractor agrees that, should work be performed outside the Scope of Services without the prior written approval of the City, such work shall be deemed a gratuitous effort on the part of Contractor, and Contractor shall have no claim against the City for reimbursement.

**ARTICLE 5 – TERMINATION**

This Agreement shall be subject to termination by the City upon its own discretion, or when conditions encountered during the work contemplated hereunder make it impossible or impracticable to proceed, or when City is prevented from proceeding with the Agreement by law or by official action of a public authority, or if the City fails to authorize the necessary funds in any fiscal year budget covering the term of the Agreement.

In the event of such termination, the City shall pay the Contractor an amount which equitably reflects the proportion of work completed by the Contractor, provided that in no event shall the compensation paid pursuant to this paragraph exceed the amount which would have been payable pursuant to Article 4 of this Agreement.
ARTICLE 6 – NOTICES

Any notice given pursuant to this Agreement shall be deemed received and effective on the date personally delivered or, if mailed, five (5) days after deposit of the same in the custody of the United States Postal Service, when properly addressed, posted and deposited in the United States mail addressed to the respective Parties as follows:

CITY:
Yvonne Horton,
City Clerk
City of Inglewood
One Manchester Boulevard
Inglewood, California 90301-1750

Contractor:
Gregory M. Quist, CEO
Hadronex dba SmarCover System
2067 Wineridge, Place
Suite E
Escondido, California 92029

WITH COPY TO:
Public Works Director,
One Manchester Boulevard
Inglewood, California 90301-1750

AGENT FOR SERVICE OF PROCESS
Gregory Matthew Quist
2166 Weiss Way
Escondido, California 92026

Contractor may from time to time designate another address, addressee or Agent for Service of Process and shall, in such instances, notify City in writing within ten (10) calendar days of such designation. Notwithstanding any contrary language in this Agreement, changes, modifications, updates or amendments to any name, title or address in this Article shall not require City Council action.

ARTICLE 7 – INSURANCE REQUIREMENTS

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by the Contractor. Failure to maintain or renew coverage or to provide evidence of renewal may be treated by City as a material breach of contract.

Minimum Scope of Coverage

Coverage shall be at least as broad as indicated below:

1. Insurance Service Office Commercial General Liability coverage (occurrence form CG 00 01 11 85 or 11 88).
2. Insurance Service Office Form Number CA 00 01 06 92 covering Automobile Liability, Code 1 (any auto).

3. California and Employer’s Liability Insurance.

4. Errors and Omissions Liability Insurance appropriate to the Contractor’s profession.

**Minimum Limits of Insurance**

Contractor shall maintain these policies during the course of this Agreement and shall cause all parties supplying services, labor, or materials to maintain the following insurance in amounts not less than those specified below:

1. General Liability (Including General Liability (Including operations, products and completed operations)): **$1,500,000** per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: **$1,500,000** per accident for bodily injury or property damage.

3. Employer’s Liability: **$1,500,000** per accident for bodily injury or disease.

4. Errors and Omissions Liability: **$1,500,000** per claim.
   a. The “Retro Date” must be shown, and must be before the date of the contract or beginning of contract work.
   b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract work.
   c. If coverage is canceled or non-renewed and not replaced with another claims-made policy form with a “Retro Date” prior to the contract effective date, the Contractor must purchase “extended reporting” coverage for a minimum of five (5) years after completion of contract work.
   d. A copy of the claims reporting requirements must be submitted to the City for review.

///
**Deductibles and Self-Insured Retentions**

Any deductibles or self-insured retentions must be declared to and approved by the Inglewood City Attorney’s office. At the option of the City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the City, its officers, officials, employees and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the Inglewood City Attorney’s Office guaranteeing payment of losses and related investigations, claims administration and defense expenses.

**Other Insurance Provisions**

The general liability policy and automobile liability policy are to contain, or be endorsed to contain, the following provisions:

1. The City of Inglewood, its officers, officials, employees and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor; and with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. General insurance, liability coverage can be provided in the form of an endorsement to the Contractor’s insurance, or as a separate owner’s policy (forms CG 20 10 11 85 or CG 20 26 11 85).

2. For any claims related to this project, the Contractor’s insurance coverage shall be primary insurance with respect to the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be in excess of the Contractor’s insurance and shall not contribute to it.

3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice has been given to the City by certified mail, return receipt requested.

4. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional
insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best’s rating of no less than A:VII if admitted.

Verification of Coverage

Contractor shall furnish the City of Inglewood with original certificates and amendatory endorsements affecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Inglewood City Attorney’s Office before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Subcontractors

Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

ARTICLE 8 – INDEMNIFICATION

Contractor shall indemnify and hold harmless the City and its officers, employees and volunteers from and against all claims, damages, losses and expenses including attorney fees arising out of the performance of the work described herein, to the extent caused in whole or in part by any negligent act or omission, recklessness or willful misconduct of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the active negligence, sole negligence, or willful misconduct of the City.

If any action or proceeding is brought against Indemnities by reason of any of the matters against which Contractor has agreed to indemnify Indemnites as provided above, Contractor, upon notice from the City, shall defend Indemnites at Contractor’s expense by counsel acceptable to the City, such acceptance not to be unreasonably withheld. Indemnites need not have first paid for any of the matters to which Indemnites are entitled
to indemnification in order to be so indemnified. The insurance required to be maintained by 
the Contractor under this Article shall ensure Contractor’s obligations under this section, but 
the limits of such insurance shall not limit the liability of the Contractor hereunder. The 
provisions of this Article shall survive the expiration or earlier termination of this Agreement 
and shall exist for four (4) years beyond the termination or completion of Contractor’s work. 

ARTICLE 9 – AUDIT

Contractor shall maintain any and all records or documents pursuant to this 
Agreement, and the same shall be made available for inspection, audit and copying, at any 
time during regular business hours, upon written request by City or its designated 
representatives. Copies of such documents or records shall be provided directly to the City for 
inspection, audit and copying when it is practical to do so; otherwise, unless an alterative is 
mutually agreed upon, such documents and records shall be made available at City’s address 
indicated for receipt of notices in this Agreement.

ARTICLE 10 – BOOKS AND RECORDS

Contractor shall maintain any and all documents and records demonstrating or relating 
to Contractor’s performance of services pursuant to this Agreement. Contractor shall maintain 
any and all ledgers, books of account, invoices, vouchers, canceled checks or other documents 
or records evidencing or relating to work, services, expenditures and disbursements charged 
to City pursuant to this Agreement. Any and all such documents or records shall be 
maintained in accordance with generally accepted accounting principles and shall be 
sufficiently complete and detailed so as to permit an accurate evaluation of the services 
provided by Contractor pursuant to this Agreement. Any and all such documents or records 
shall be maintained to the extend required by laws relating to audits of public agencies and 
their expenditures.

ARTICLE 11 – OWNERSHIP OF DOCUMENTS

All documents provided by the City to the Contractor to assist in the provision of the 
services contemplated by this Agreement, as well as all documents prepared, developed or 
discovered by the Contractor in the course of providing any services pursuant to this
Agreement including but not limited to plans, drawings, sketches, original studies, surveys, reports, data, notes, computer files, files and all other documents are and shall remain the sole property of the City and may be used, reused or otherwise disposed of by the City without the permission of the Contractor. Upon completion, expiration or termination of this Agreement, the Contractor shall give the City all such documents, including but not limited to plans, drawings, sketches, original studies, surveys, reports, data, notes, computer files, files and all other such documents. All plans and specifications prepared under this Agreement shall become the property of the City upon completion of the work or termination of the Agreement.

ARTICLE 12 – INDEPENDENT CONTRACTOR

Contractor enters into this Agreement as an independent contractor and not as an employee of the City. Contractor shall have no power or authority by this Agreement to bind the City in any respect. Nothing in this Agreement shall be construed to be inconsistent with this relationship or status. All employees, agents, contractors or subcontractors hired or retained by the Contractor are employees, agents, contractors or subcontractors of the Contractor and not of the City. The City shall not be obligated in any way to pay any wage claims or other claims made against Contractor by any such employees, agents, contractors, or subcontractors, or any other person resulting from performance of this Agreement. City shall not have the right to direct and control the manner and means in which the Contractor carries out the work contemplated by this Agreement. City shall not train nor provide instruction to the Contractor for the carrying out of the services contemplated by this Agreement.

ARTICLE 13 – NON-ASSIGNABILITY

The expertise and experience of the Contractor are material considerations for this Agreement. The City has an interest in qualifications of and capability of the Contractor which will fulfill the duties and obligations imposed under this Agreement. In recognition of that interest, the Contractor shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of the Contractor’s duties or obligations under this Agreement without the prior written consent of the City which consent shall not be
unreasonably withheld. Any attempted unauthorized assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement entitling the City to any and all remedies at law or in equity, including summary termination of this Agreement. The Contractor shall not assign any interest in this Agreement and shall not transfer any interest in the same whether by assignment or novation, without prior written approval of the City.

**ARTICLE 14 – EQUAL EMPLOYMENT**

Contractor agrees that during the performance of this Agreement, it will not discriminate against any employee or applicant for employment because of race, color, religious creed, national origin, ancestry, sex, sexual orientation, age, physical handicap, medical condition or marital status.

**ARTICLE 15 – CHANGES, AMENDMENTS AND MODIFICATIONS**

No change, amendment or modification to this Agreement shall be effective unless in writing and signed by the Parties hereto.

**ARTICLE 16 – SEVERABILITY**

In the event that any condition or covenant herein is held to be invalid or void by any court of competent jurisdiction, the same shall be deemed severable from the remainder of the Agreement and shall in no way affect any other covenant or condition herein contained as long as the invalid provision does not render the Agreement meaningless with regard to a material term in which event the entire Agreement shall be void. If such condition, covenant, or other provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent the scope or breadth is permitted by law.

**ARTICLE 17 – WAIVER**

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by the City of any work or services by Contractor shall not constitute a waiver of any of the provisions of this Agreement.
ARTICLE 18 — ENTIRE AGREEMENT

This Agreement is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed therein and supersedes all other Agreements or understandings, whether oral or written, entered into between the Contractor and the City prior to the execution of this Agreement. No statements, representations or other Agreements, whether oral or written, made by any party which are not embodied herein shall be valid and binding unless in writing and duly executed by the Parties or their authorized representatives.

ARTICLE 19 — GOVERNING LAW; VENUE

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the Parties, venue in state trial courts shall lie exclusively in the County of Los Angeles, Superior Court, Southwest District, located at 825 Maple Avenue, Torrance, California 90503-5058. In the event of litigation in the United States District Court, venue shall lie exclusively in the Central District of California, in Los Angeles.

ARTICLE 20 — MISCELLANEOUS

The Parties waive any benefits from the principle of contra proferentem and interpreting ambiguities against drafters. No party shall be deemed to be the drafter of this Agreement, or of any particular provision or provisions, and no part of this Agreement shall be construed against any party on the basis that the particular party is the drafter of any part of this Agreement.

This Agreement may be executed in counterparts, and when each party hereto has signed and delivered at least one such counterpart, each counterpart shall be deemed an original and, when taken together with the other signed counterparts, shall constitute one Agreement, which shall be binding upon and effective as to all Parties hereto.

Article titles, paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provision hereof.
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date
and year first above written.

CITY OF INGLEWOOD

HADRONEX INC., dba
SMARTCOVER SYSTEMS

James T. Butts, Jr.,
Mayor

Gregory M. Quist,
CEO

ATTEST:

Yvonne Horton,
City Clerk

APPROVED AS TO FORM:

Kenneth R. Campos,
City Attorney