



COUNTY OF HUMBOLDT

For the meeting of: July 11, 2017

Date: June 26, 2017

To: Board of Supervisors

From: *TM* Thomas K. Mattson, Public Works Director

Subject: First Amendment to Agreement for Consultant Services for the Juvenile Hall Replacement Facility Construction Project, Project Number 170212

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve, and authorize the Chair to execute, the attached first amendment to the agreement for consultant services with Lenders Construction Services, LLC regarding the provision of construction administration services for the Juvenile Hall Replacement Facility Construction Project; and
2. Direct the Clerk of the Board to return three (3) original copies of the attached amendment to the Department of Public Works for further processing.

SOURCE OF FUNDING:

Criminal Justice Construction Fund, Board of State and Community Corrections Senate Bill 81 ("SB-81"); Local Youthful Offender Rehabilitative Facility Construction Funding and Certificates of Participation.

DISCUSSION:

On October 6, 2016, your Board approved and executed the Agreement for Consultant Services with Lenders Construction Services, LLC, for an amount not to exceed Five Hundred Thirty Thousand Dollars

Prepared by Thomas Mattson/tlh

CAO Approval *[Signature]*

REVIEW: Auditor *MBM* DHHS _____ Human Resources *KKB* County Counsel *SM*

TYPE OF ITEM:
 Consent
 Departmental
 Public Hearing
 Other _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT
 Upon motion of Supervisor *Fennell* Seconded by Supervisor *Wilson*
 Ayes *Fennell, Wilson, Bass, Bohn*
 Nays _____
 Abstain _____
 Absent *Sundberg*

PREVIOUS ACTION/REFERRAL:

Board Order No. E-2, E-3, G-6, C-19, H-3, C-8, C-17, C-24, C-9, C-18, C-18, H-5, C-19, C-12, C-15

Meeting of: 10/28/08, 12/16/08, 3/1/11, 6/14/11, 4/10/12, 12/11/12, 5/14/13, 8/13/13, 4/8/14, 7/1/14, 10/6/15, 12/8/15, 5/31/16, 6/7/16, 8/16/16.

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: July 11, 2017
 By: *Bob* _____
 Kathy Hayes, Clerk of the Board

(\$530,000.00), and authorized the Public Works Director to issue a notice to proceed to Lenders Construction Services, LLC.

The attached amendment adds special inspections and testing to the scope of work set forth in the agreement with Lenders Construction Services, LLC. Special inspections and testing are defined by the California Building Code and are specific to required inspections during construction. Special inspections and testing include structural steel, concrete testing, masonry and anchoring systems. The addition of special inspections into the agreement for consultant services with Lenders Construction Services, LLC will allow for better coordination of special inspection activities during construction.

As compensation for such additional special inspection and testing services, the attached amendment also increases the maximum amount payable to Lenders Construction Services, LLC by Seventy Thousand Dollars (\$70,000.00), for a total contract amount of Six Hundred Thousand Dollars (\$600,000.00).

FINANCIAL IMPACT:

Funds for the project have been incorporated into the Fiscal Year 2017-18 budget at revenue line 1100170-515080 and expenditure line 1100170-8891. This First Amendment to Lenders Construction Services, LLC consultant services agreement has no financial impact to the current authorized budget. The special inspections are budgeted in the overall project budget. The requested action will have no effect on the General Fund.

The recommended action conforms to the Board of Supervisors' Strategic Framework Core Roles of providing for and maintaining county infrastructure.

OTHER AGENCY INVOLVEMENT:

Board of State and Community Corrections

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board of Supervisors may choose not to approve the attached first amendment to the agreement for consultant services with Lenders Construction Services, LLC. This alternative is not recommended since including special inspections and testing services in the above-referenced agreement will allow for better coordination of special inspection activities during construction of the project.

ATTACHMENTS:

1. First Amendment to the Agreement for Consultant Services with Lenders Construction Services, LLC (four (4) originals)

**FIRST AMENDMENT
AGREEMENT FOR CONSULTANT SERVICES
BY AND BETWEEN
COUNTY OF HUMBOLDT
AND
LENDERS CONSTRUCTION SERVICES, LLC
PROJECT NAME: JUVENILE HALL REPLACEMENT FACILITY CONSTRUCTION PROJECT
PROJECT NUMBER: 170212**

This First Amendment to the Agreement for Consultant Services dated October 6, 2015, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Lenders Construction Services, LLC, a California limited liability company hereinafter referred to as "CONSULTANT," is entered into this 11 day of July, 2017.

WHEREAS, COUNTY, by and through its Department of Public Works, desired to retain a qualified professional to provide construction administration services related to the construction of a new full service, medium/maximum security juvenile hall facility; and

WHEREAS, on October 6, 2015, COUNTY and CONSULTANT entered into an Agreement for Consultant Services regarding the provision of such construction administration services ("Consultant Services Agreement"); and

WHEREAS, the COUNTY requires special inspection services during construction to meet the quality assurance conditions described in the relevant construction documents and the California Building Code; and

WHEREAS, the current construction completion date will exceed the term of the Consultant Services Agreement; and

WHEREAS, the parties now desire to amend the Consultant Services Agreement to extend the term thereof by three hundred fifty (350) calendar days, expand the scope of services provided thereunder and increase the rates of compensation set forth therein by Seventy Thousand Dollars ("\$70,000.00") accordingly.

NOW THEREFORE, the parties mutually agree as follows:

1. Section 3 – Term of the Consultant Services Agreement is hereby amended to read as follows:

"3. TERM:

This Agreement shall begin upon execution by both parties and remain in full force and effect for a period of one thousand two hundred (1,200) calendar days, unless sooner terminated as provided herein."

2. Subsection 2.3 of Exhibit A – Scope of Services is hereby amended to add the following provisions:

"2.3.16 Special Inspections (Sub Consultant SHN Consulting Engineers & Geologists, Inc.). The Special Inspector and materials testing services shall be performed by SHN Consulting Engineers & Geologists, Inc. under a sub consultant agreement.

2.3.17 Special Inspections and Testing of construction materials, includes;

2.3.17.1 Compaction testing

2.3.17.2 Structural concrete

2.3.17.3 Structural steel and welding

2.3.17.4 Masonry special inspection and testing

2.3.17.5 Expansion anchors and epoxy installed anchorage special inspection

2.3.18 Consultant will not be responsible for any Sub-Consultant services not specifically listed in 2.3.17 above.”

3. Subsection 2.2 of Exhibit C – Project Budget is hereby amended to read as follows:

“2.2 Services Fee Defined. The total fee for all Services is calculated as follows:

2.2.1	Construction Administration Services Fee:	<u>\$530,000</u>
2.2.2	Sub-Consultant Services Fee	<u>\$70,000</u>
2.2.3	Maximum Services Fee Total:	<u>\$600,000”</u>

4. Subsection 2.6.2 of Exhibit C – Project Budget is hereby amended to add the following provisions:

“2.6.2.1 Sub Consultant SHN Consulting Engineers & Geologists, Inc. will charge CONSULTANT for services on an expense basis and CONSULTANT will be reimbursed by COUNTY for those charges according to the terms of the Consultant Services Agreement. The authorized sum in this amendment is an upset limit to the pre-authorized reimbursable charges and not intended to be a guaranteed maximum for the added scope of work.”

5. Except as modified herein, the Consultant Services Agreement dated October 6, 2015 shall remain in full force and effect. In the event of a conflict between the provisions of this First Amendment and the original Consultant Services Agreement, the provisions of this First Amendment shall govern.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment on the first date written above.

LENDERS CONSTRUCTION SERVICES, LLC:

By: 
Jeffrey Smith
President

Date: 6/22/17

COUNTY OF HUMBOLDT:

By: 
Virginia Bass
Chair, Humboldt County Board of Supervisors

Date: 7/11/17

INSURANCE CERTIFICATES REVIEWED AND APPROVED:

By: 
Risk Management

Date: 6/29/17



CERTIFICATE OF LIABILITY INSURANCE

LENDE-1

OP ID CH

DATE (MM/DD/YYYY)

06/07/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed **If SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s)

PRODUCER California Meridian Insurance 509 J St, Ste 3 Eureka, CA 95501 Stan Smith	CONTACT NAME Stan Smith
	PHONE (A/C, No, Ext) 707-269-4368
	FAX (A/C, No) 707-269-4360
	E-MAIL ADDRESS
	INSURER(S) AFFORDING COVERAGE
	INSURER A The Hartford
	INSURER B
	INSURER C
	INSURER D
	INSURER E
	INSURER F
INSURED Lenders Construction Services, LLC Po Box 6218 Eureka, CA 95502	NAIC # 19682

COVERAGES**CERTIFICATE NUMBER****REVISION NUMBER**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER	X	X	51SBMIA0174	10/22/2016	10/22/2017	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> RETENTIONS \$ 10,000			51SBMIA0174	10/22/2016	10/22/2017	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes describe under DESCRIPTION OF OPERATIONS below		N/A				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

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

Re contract job #170212 Humboldt County Juvenile Hall Replacement Project
 Subject to written requirement by contract the certificate holder including their agents, officers, officials, employees and volunteers are included as additional insured's as per attached IH1200 1185 and SS0008 0405

CERTIFICATE HOLDER**CANCELLATION**

COUNTY County of Humboldt Thomas Mattson 1106 2nd St Eureka, CA 95501	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 Stan Smith
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CERTIFICATE OF LIABILITY INSURANCE

LENDE-1

OP ID CH

DATE (MM/DD/YYYY)

06/07/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER California Meridian Insurance 509 J St., Ste 3 Eureka, CA 95501 Stan Smith	CONTACT NAME Stan Smith PHONE (A/C, No, Ext) 707-269-4368 E-MAIL ADDRESS	FAX (A/C, No) 707-269-4360
	INSURER(S) AFFORDING COVERAGE	
INSURED Lenders Construction Services, LLC Po Box 6218 Eureka, CA 95502	INSURER A Hiscox Insurance Company Inc	NAIC # 10200
	INSURER B	
	INSURER C	
	INSURER D	
	INSURER E	
	INSURER F	

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

INSR LTR	TYPE OF INSURANCE	ADDL/SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input checked="" type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/> E&O		MPL1732836 17	04/30/2017	04/30/2018	EACH OCCURRENCE \$ 1,000,000
	GEN L AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ ----- MED EXP (Any one person) \$ ----- PERSONAL & ADV INJURY \$ ----- GENERAL AGGREGATE \$ 1,000,000 PRODUCTS - COMP/OP AGG \$ -----
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ ----- BODILY INJURY (Per person) \$ ----- BODILY INJURY (Per accident) \$ ----- PROPERTY DAMAGE (Per accident) \$ -----
	UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				EACH OCCURRENCE \$ ----- AGGREGATE \$ -----
	WORKERS COMPENSATION AND EMPLOYERS LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A				PER STATUTE <input type="checkbox"/> OTH ER <input type="checkbox"/> E L EACH ACCIDENT \$ ----- E L DISEASE - EA EMPLOYEE \$ ----- E L DISEASE - POLICY LIMIT \$ -----

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

Re contract job #170212 Humboldt County Juvenile Hall Replacement Project
 PROOF OF COVERAGE ONLY

CERTIFICATE HOLDER

CANCELLATION

COUNTY County of Humboldt Thomas Mattson 1106 2nd St Eureka, CA 95501	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 Stan Smith
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POLICY NUMBER 51 SBM IA0174



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - PERSON-ORGANIZATION

LOCATION 001 BUILDING 001

COUNTY OF HUMBOLDT

825 5TH ST

EUREKA

CA 95501

BUSINESS LIABILITY COVERAGE FORM

(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part.

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in c. below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs (a) and (b) do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part

c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

8. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

BUSINESS LIABILITY COVERAGE FORM

F. OPTIONAL ADDITIONAL INSURED COVERAGES

If listed or shown as applicable in the Declarations, one or more of the following Optional Additional Insured Coverages also apply. When any of these Optional Additional Insured Coverages apply, Paragraph 6. (Additional Insureds When Required by Written Contract, Written Agreement or Permit) of Section C., Who Is An Insured, does not apply to the person or organization shown in the Declarations. These coverages are subject to the terms and conditions applicable to Business Liability Coverage in this policy, except as provided below:

1. Additional Insured - Designated Person Or Organization

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- a. In the performance of your ongoing operations; or
- b. In connection with your premises owned by or rented to you.

2. Additional Insured - Managers Or Lessors Of Premises

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Designated Person Or Organization; but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Declarations.

b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) Any "occurrence" which takes place after you cease to be a tenant in that premises; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

3. Additional Insured - Grantor Of Franchise

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Grantor Of Franchise, but only with respect to their liability as grantor of franchise to you.

4. Additional Insured - Lessor Of Leased Equipment

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Lessor of Leased Equipment, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

5. Additional Insured - Owners Or Other Interests From Whom Land Has Been Leased

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Owners Or Other Interests From Whom Land Has Been Leased, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land leased to you and shown in the Declarations.

b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) Any "occurrence" that takes place after you cease to lease that land; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

6. Additional Insured - State Or Political Subdivision - Permits

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the state or political subdivision shown in the Declarations as an Additional

BUSINESS LIABILITY COVERAGE FORM

Insured – State Or Political Subdivision - Permits, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

- b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
- (2) "Bodily injury" or "property damage" included in the "product-completed operations" hazard.

7. Additional Insured – Vendors

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) (referred to below as vendor) shown in the Declarations as an Additional Insured - Vendor, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".
- b. The insurance afforded to the vendor is subject to the following additional exclusions:

- (1) This insurance does not apply to:
 - (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - (b) Any express warranty unauthorized by you;
 - (c) Any physical or chemical change in the product made intentionally by the vendor;
 - (d) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Subparagraphs (d) or (f); or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

8. Additional Insured – Controlling Interest

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Controlling Interest, but only with respect to their liability arising out of:

- a. Their financial control of you; or
- b. Premises they own, maintain or control while you lease or occupy these premises.

BUSINESS LIABILITY COVERAGE FORM

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

9. Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owner, Lessees Or Contractors, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- (1) In the performance of your ongoing operations for the additional insured(s); or
- (2) In connection with "your work" performed for that additional insured and included within the "products-completed operations hazard", but only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to "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 failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
- (2) Supervisory, inspection, architectural or engineering activities.

10. Additional Insured – Co-Owner Of Insured Premises

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or Organization(s) shown in the Declarations as an Additional Insured – Co-Owner Of Insured Premises, but only with respect to their liability as co-owner of the premises shown in the Declarations.

The limits of insurance that apply to additional insureds are described in Section D. – Limits Of Insurance.

How this Insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section E. – Liability And Medical Expenses General Conditions.

G. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

1. "Advertisement" means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

- a. (1) Radio;
- (2) Television;
- (3) Billboard;
- (4) Magazine;
- (5) Newspaper;

b. The Internet, but only that part of a web site that is about goods, products or services for the purposes of inducing the sale of goods, products or services; or

c. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

- a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or
- b. An interactive conversation between or among persons through a computer network.

2. "Advertising idea" means any idea for an "advertisement".

3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

4. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

5. "Bodily injury" means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means: