



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C-8

For the meeting of: ¹⁵ April 8, 2014

Date: March 19, 2014

To: Board of Supervisors

From: ^(N) Thomas K. Mattson, Director of Public Works

Subject: Award Authorization for Humboldt County Motor Pool Building Re-Roofing Project, Project No.162365 and Supplemental Budget

RECOMMENDATION(S):

That the Board of Supervisors:

1. Receive and file the bids for the Humboldt County Motor Pool Building Re-Roofing Project.
2. Award the project to the lowest responsible and responsive bidder, Brazos Urethane, Inc., Fresno, CA, in the amount of \$77,700.00 for the base bid.
3. Authorize the Chairman to execute the agreement with Brazos Urethane, Inc., after staff approves the bonds and insurance.
4. Adopts the following supplemental budget for FY 2013/14 (4/5 vote required):

Revenue:	3500350-682050	Fund Balance Forward	\$13,700
Expenditure:	3500350-8817	Roof Replacement	\$13,700

Prepared by Jake Johnson CAO Approval Cheryl Dillingham

REVIEW: Auditor MSM County Counsel 30B Personnel _____ Risk Manager DF Other _____

TYPE OF ITEM:
 Consent
 Departmental
 Public Hearing
 Other _____

PREVIOUS ACTION/REFERRAL:

Board Order No. C-10

Meeting of: January 28, 2014

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

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

Dated: April 15, 2014
By: Kathy Hayes
Kathy Hayes, Clerk of the Board

SOURCE OF FUNDING:

Motorpool Operating Budget 3500350

DISCUSSION:

Public Works developed plans and specifications for re-roofing the Humboldt County Motor Pool Building. The project consists of abatement of existing hazardous materials at the roof, demolition of existing roof where necessary for installation of new, repair of cracked skylight panes, infilling of low spots on roof to maximize drainage and installation of new reinforced fluid-applied roofing system to create a complete, watertight system.

On January 28, 2014, the Board of Supervisors authorized the Humboldt County Motor Pool Building Re-Roofing Project to be advertised for public bid. On March 4, 2014, Public Works received and opened three (3) bids. The results are as follows:

<u>Contractor</u>	<u>Base Bid</u>
McMurray & Sons, Eureka, CA	\$111,631.00
Pacific Builders, Arcata, CA	\$99,124.00
Brazos Urethane, Inc., Fresno, CA	\$77,700.00

The conditions set forth in the Contract Documents require the Project to be awarded on the basis of the "Base Bid." Public Works recommends awarding the project to the lowest responsible and responsive bidder, Brazos Urethane, Inc., Fresno, California, in the amount of \$77,700.00 for the Base Bid.

The project is estimated to cost \$93,700 while the original budgeted amount was \$80,000. The supplemental budget will provide the additional amount needed to complete the project.

FINANCIAL IMPACT:

An additional cost of \$13,700 for the roof replacement project cost is estimated and will be sourced from the Motor Pool Fund 3500.

The requested action conforms to the Board of Supervisors' Core Roles of providing and maintaining county infrastructure to enhance health and safety of facilities.

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to proceed with award at this time; however, this alternative is not recommended because the existing roof currently leaks, and water infiltration may create structural damage which may necessitate more costly repairs in the future, as well as damage that may occur to the vehicles, supplies and parts stored in the building.

ATTACHMENT: March 4, 2014 bid results

BID OPENING

Motor Pool Building Re-Roofing Project Bid Opening

Tuesday, March 4, 2014 at 2:00 p.m.

NAME & ADDRESS OF BIDDER

AMOUNT OF BID

- | | | |
|----|---|------------|
| 1. | McWorrey & Sons
1818 W. Alameda
Eureka, Ca. 95502 | \$ 111,631 |
| 2. | Pacific Builders
880 J Street
Avata, Ca 95521 | \$ 99,124 |
| 3. | Brazos Uretvane
4331 W. Santa
Fresno, Ca. | \$ 77,700 |

4.

5.

6.

Engineer's Estimate: \$ 70,595

SECTION 00500 - AGREEMENT

This is an AGREEMENT made and entered into this 8th day of May, 2014 by and between the County of Humboldt, a political subdivision of the State of California (hereinafter referred to as COUNTY) and Brazos Urethane, a corporation organized and existing under the laws of the State of Texas, (hereinafter referred to as "CONTRACTOR").

County and Contractor for the consideration hereinafter named agree as follows:

SECTION 1 - SCOPE OF WORK

Contractor shall furnish all labor, tools and materials and perform all the work for the construction of:

**MOTOR POOL RE-ROOFING PROJECT
PROJECT NUMBER: 162365**

in accordance with the Contract Documents referred to in Section 3 of this Agreement.

SECTION 2 - CONTRACT PRICE

County shall pay, and Contractor shall accept Contractor's BASE BID Price, as follows:

Seventy Seven Thousand Seven Hundred 00/100 Dollars (\$77,700.00)

as full compensation for furnishing all materials and for doing all the work contemplated and embraced in this Agreement; also for all loss or damage, arising out of the work aforesaid, or from the actions of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by County, and for all risks of every description connected with the work; also for all expenses incurred by or in consequence of the suspension or discontinuance of the work and for well and faithfully completing the work, and the whole thereof, in the manner and according to the Plans and Specifications, and the requirements of the Owner.

SECTION 3 - CONTRACT DOCUMENTS

The complete contract between the parties hereto shall consist of the following, hereinafter referred to as the CONTRACT DOCUMENTS:

- Notice to Contractors
- Bid Form
- Bid Security Form
- This Agreement
- Payment Bond
- Performance Bond
- Insurance Certificates
- Public contract code Statement
- Special Conditions
- General Conditions
- Supplementary General Conditions
- General Requirements
- Technical Specifications
- Plans and Drawings
- Subcontractor List
- Non collusion Affidavit
- Evidence of Responsibility/Nonresponsibility
- Debarment suspension certification

And, as published by the California Department of Industrial Relations:

- General Prevailing Wage Rates

And any addenda to any of the above documents, all of which are on file in the office of the Director of Public Works of the County of Humboldt. Each of said CONTRACT DOCUMENTS is incorporated and made a part of this Agreement by the reference contained in this Section.

All rights and obligations of the County and the Contractor are fully set forth and described in the Contract Documents. All of the above named documents are intended to be complementary, so that any work called for in one, and mentioned in the other is to be performed and executed the same as if mentioned in all said documents.

SECTION 4 - BEGINNING OF WORK

Following receipt and full execution and approval of the Contract Documents, and posting of the requisite Bonds as called for therein, the COUNTY will issue a "Notice to Proceed". Under no circumstances shall the CONTRACTOR enter upon the site of work until receipt of the "Notice to Proceed", unless so authorized in writing by the COUNTY.

SECTION 5 - TIME OF COMPLETION

The work called for in this Agreement shall be commenced within ten (10) calendar days of the date of receipt by Contractor of the Notice to Proceed and shall be fully completed within 100 calendar days following receipt of the Notice to Proceed by the Contractor.

SECTION 6 - PREVAILING WAGE

Pursuant to Section 1770 of the Labor Code, the County has determined the Prevailing Wage Rate to be as listed by the Department of Industrial Relations, Division of Labor Statistics and Research, P.O. Box 420603, San Francisco, CA, 94101, Phone: (415) 703-4780. Complete Certified Payrolls must be submitted to the OWNER together with each application for progress payment.

SECTION 7 - WORKERS' COMPENSATION

By my signature hereunder, as CONTRACTOR, I certify that I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

SECTION 8 - NOTICES

All notices shall be in writing and delivered in person or transmitted by mail. Notices required to be given to the COUNTY shall be addressed as follows:

Humboldt County Department of Public Works
1106 Second Street
Eureka, California, 95501

Notices required to be given to CONTRACTOR shall be addressed as follows:

Brazos Urethane
1031 6th Street North
Texas City, TX 77592

SECTION 9 - NUCLEAR FREE HUMBOLDT COUNTY ORDINANCE COMPLIANCE

Neither the Contractor, his Subcontractors or their suppliers are Nuclear Weapons Contractors, and are not knowingly or intentionally engaged in the research, development, production, or testing of nuclear warheads, nuclear weapons systems, or nuclear weapons components, as defined by the Nuclear Free Humboldt County Ordinance. Contractor, his Subcontractors and/or their suppliers agree to notify Owner immediately if they become a nuclear weapons contractor as defined above.

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IN WITNESS WHEREOF, The parties hereto have entered into this Agreement as of the date first above set forth.

COUNTY OF HUMBOLDT

(SEAL)

By: Rex Boh
Chairperson, Board of Supervisors of the County of Humboldt, State of California

ATTEST:

By: Ann Huntwell
Clerk of the Board of Supervisors of the County of Humboldt, State of California

CONTRACTOR: Corporations require signature by 2 (two) corporate officers

By: Howard W. Suggs, Jr.
Title: President
(Chair, President, or Vice President)

By: Sully Sjiri
Title: Secretary
(Secretary, Assistant Secretary, CFO, or Assistant Treasurer)

APPROVED AS TO FORM:

By: Joyce Stigter
Deputy County Counsel

INSURANCE CERTIFICATES REVIEWED AND APPROVED:

By: Whitney Fordon Fulks
Risk Manager

END OF SECTION 00500

SECTION 00620 - PAYMENT BOND

Bond No. 46BCSGR9190

KNOW ALL MEN BY THESE PRESENTS, THAT WHEREAS, the County of Humboldt, by its order made _____, 20____, has awarded to Brazos Urethane, Inc., hereinafter designated as the "Principal," a contract for the work described as follows:

Motor Pool Re-Roofing Project #162365

NOW, THEREFORE, we the Principal and Hartford Casualty Insurance Company, Surety, are held and firmly bound unto the County of Humboldt in the penal sum of Seventy Seven Thousand Seven Hundred and No/100 Dollars (\$ 77,700.00), lawful money of the United States of America for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that is said Principal, his/her or its heirs, executors, administrators, successors or assigns, shall fail to pay any of the persons named in Section 9100 of the Civil Code, or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant, or for any amounts required to be deducted, withheld, and paid over to the Franchise Tax Board from the wages of employees of the Contractor and their subcontractors pursuant to Section 18806 of the Revenue and Taxation Code with respect to such work and labor as required by Sections 9550 et seq. of the Civil Code of California, then said Surety will pay for the same, in or to an amount not exceeding the amount hereinafter set forth, and also will pay in case suit is brought upon this bond, such reasonable attorney's fees, as shall be fixed by the court, awarded and taxed as in the above-mentioned statutes provided.

AND, the said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in any wise affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract, or to the work, or to the specifications.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named, on the 28 day of April, 2014.

Brazos Urethane, Inc.

PRINCIPAL

BY: Howard W. Scaggin

Hartford Casualty Insurance Company

SURETY

BY: David T. Miclette

ATTORNEY-IN-FACT David T. Miclette

END OF SECTION 00620

SECTION 00610 - PERFORMANCE BOND

Bond No. 46BCSGR9190

KNOW ALL MEN BY THESE PRESENTS:

That Brazos Urethane, Inc.
(Name of Contractor)

1031 6th Street North, Texas City, Texas 77590
(Address of Contractor)

a Corporation, hereinafter called Principal, and:
(Corporation, Partnership or Individual)

Hartford Casualty Insurance Company
(Name of Surety)

One Hartford Plaza, Hartford, Connecticut 06155 - 0001
(Address of Surety)

hereinafter called Surety, are held and firmly bound unto

HUMBOLDT COUNTY
825 5th Street
Eureka, California 95501

hereinafter called OWNER, in the penal sum of

Seventy Seven Thousand Seven Hundred and No/100

Dollars (\$ 77,700.00)

in lawful money of the United States, for the payment of which sum well and truly to be made, we bond ourselves, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such that whereas, the Principal entered into a certain contract with the OWNER, dated the _____ day of _____, 20__, a copy of which is hereto attached and made a part hereof for the construction of:

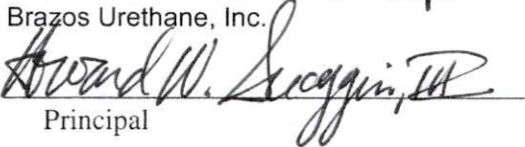
Motor Pool Re-Roofing Project #162365

NOW, THEREFORE, if the Principal shall well, truly and faithfully perform its duties, all of the undertakings, covenants, terms, conditions, and agreements of said contract during the original term thereof, and any extensions thereof which may be granted by the OWNER, with or without notice to the Surety and during the one year guaranty period, and if Principal shall satisfy all claims and demands incurred under such contract, and shall fully indemnify and save harmless the OWNER from all costs and damages which it may suffer by reason of failure to do so, and shall reimburse and repay the OWNER all outlay and expense which the OWNER may incur in making good any default, then this obligation shall be void; otherwise to remain in full force and effect.

Signed and sealed this 28 day of April, 2014.

Brazos Urethane, Inc.

By:


Principal

Hartford Casualty Insurance Company

By:


Surety David T. Mickle, Attorney-in-Fact

SURETY

(Power of Attorney for person signing for Surety Company, or a certified copy thereof, must be attached. Signatures of person or persons executing for the Surety must be acknowledged.)

END OF SECTION 00610

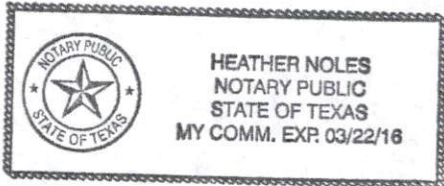
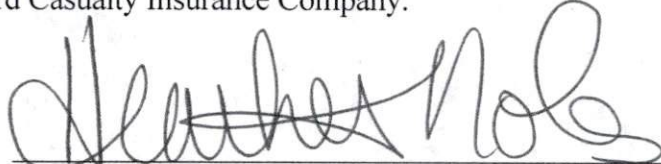
Surety Notary Acknowledgement

THE STATE OF TEXAS

§
§
§

COUNTY OF HARRIS

This instrument was acknowledged before me on this 22nd day of April, 2014, by David T. Miclette, Attorney-In-Fact for Hartford Casualty Insurance Company.



Notary Public in and for
the State of Texas

Name printed: Heather Noles

My Commission Expires: March 22, 2016

POWER OF ATTORNEY

Direct Inquiries/Claims to:

THE HARTFORD

BOND, T-4

One Hartford Plaza

Hartford, Connecticut 06155

call: 888-266-3488 or fax: 860-757-5835

KNOW ALL PERSONS BY THESE PRESENTS THAT:

Agency Codes: 61-613558, 46-504809, 46-507142, 43-483850, 46-505579

- Hartford Fire Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Casualty Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Accident and Indemnity Company, a corporation duly organized under the laws of the State of Connecticut
- Hartford Underwriters Insurance Company, a corporation duly organized under the laws of the State of Connecticut
- Twin City Fire Insurance Company, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of Illinois, a corporation duly organized under the laws of the State of Illinois
- Hartford Insurance Company of the Midwest, a corporation duly organized under the laws of the State of Indiana
- Hartford Insurance Company of the Southeast, a corporation duly organized under the laws of the State of Florida

having their home office in Hartford, Connecticut, (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint, **up to the amount of unlimited:**

David G. Miclette, Sam F. Bowen, Edward G. Britt, Jr., Kristi Lovett, Barry K. McCord, Ashley Britt Russell, Robert C. Davis, David T. Miclette, Michael Tubbs, Susan Zapalowski, Rita G. Gulizo, Joni Bowen, Mary Ann Garcia, Brett A. Tisdale, Heather Noles of Houston TX, Fort Smith AR and New Orleans LA

their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety(ies) only as delineated above by , and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Companies on August 1, 2009 the Companies have caused these presents to be signed by its Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Companies, the Companies hereby unambiguously affirm that they are and will be bound by any mechanically applied signatures applied to this Power of Attorney.



Wesley W. Cowling

Wesley W. Cowling, Assistant Secretary

M. Ross Fisher

M. Ross Fisher, Vice President

STATE OF CONNECTICUT }
COUNTY OF HARTFORD } ss. Hartford

On this 12th day of July, 2012, before me personally came M. Ross Fisher, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is the Vice President of the Companies, the corporations described in and which executed the above instrument; that he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that he signed his name thereto by like authority.



CERTIFICATE

Kathleen T. Maynard

Kathleen T. Maynard
Notary Public

My Commission Expires July 31, 2016

I, the undersigned, Vice President of the Companies, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force effective as of
Signed and sealed at the City of Hartford.



Gary W. Stumper

Gary W. Stumper, Vice President



ADDITIONAL REMARKS SCHEDULE

AGENCY Bowen, Miclette & Britt		NAMED INSURED Brazos Urethane, Inc. 1031 6th Street North Texas City TX 77590	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE**

Blanket additional insured Completed Operations per form #CG2037 07 04
Blanket waiver of subrogation per form #E164
Blanket primary/non-contributory per form #E756

Automobile:
Blanket additional insured per form #FM114.0.13781111
Blanket waiver of subrogation per form #FM114.0.13781111

Worker's Compensation:
Blanket waiver of subrogation per form #WC420304A
RE: County of Humboldt Motor Pool Re-Roofing Project - Project #162365

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

**Name of Additional Insured Person(s) or
Organization(s):**

Location(s) Of Covered Operations

Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement prior to the date of loss that such person or organization be added as an additional insured on your policy.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

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

This insurance does not apply to "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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement prior to the date of loss that such person or organization be added as an additional insured on your policy.	
*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement, effective **5/31/2013** at 12:01 A.M. Standard time, forms a part of Policy Number **GLP 6019329-02** issued to **Brazos Urethane, Inc. dba Roof Maintenance and Leak Repair; Brazos Industries, Inc.; Solar Foam Insulation, Inc.** by Maxum Indemnity Company.

This endorsement modifies insurance provided for under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM (OCCURRENCE)

PRIMARY OR NONCONTRIBUTORY CLAUSE ENDORSEMENT

Coverage provided by this policy to the additional insured(s), as provided by the attachment of the endorsement CG 20 10 07 04- ADDITIONAL INSURED –OWNERS, LESSEES OR CONTRACTORS- SCHEDULED PERSON OR ORGANIZATION and CG 20 37 07 04- ADDITIONAL INSURED –OWNERS, LESSEES OR CONTRACTORS- COMPLETED OPERATIONS; shall be primary and any other insurance maintained by the additional insured(s) shall be excess and non-contributory;

- but only as respects any claim or liability determined to be caused in whole or in part by the Named Insured,
- and only if required of the Named Insured by a written contract.

SCHEDULE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement, effective **5/31/2013** at 12:01 A.M. Standard time, forms a part of Policy Number **GLP 6019329-02** issued to **Brazos Urethane, Inc. dba Roof Maintenance and Leak Repair; Brazos Industries, Inc.; Solar Foam Insulation, Inc.** by Maxum Indemnity Company.

This endorsement modifies insurance provided for under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM (OCCURRENCE)

WAIVER OF TRANSFER RIGHTS OF RECOVERY AGAINST OTHERS

We waive any right of recovery we may have against the person or organization shown in the Schedule because of payments we make for injury or damage arising out of "your work" done under a contract with that person or organization. The waiver applies only to the person or organization shown in the Schedule.

Name of Person or Organization:

Any organization when the named insured has agreed to waive the right of recovery by written contract prior to the date of loss.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL AUTOMOBILE BROAD FORM ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

SCHEDULE

- | | |
|---|--|
| 1. Broadened Insured Status | 14. Audio, Visual, And Data Electronic Equipment |
| 2. Blanket Additional Insured When Required Under Written Contract | 15. Loan/Lease Payoff Coverage |
| 3. Employee Hired Autos Liability Coverage | 16. Airbag Coverage |
| 4. Employees As Insureds | 17. Multiple Deductible Protection – Covered "Auto" And Trailer |
| 5. Coverage Extensions – Supplementary Payments | 18. Duties In The Event Of An Accident, Claim, Suit, Or Loss |
| 6. Limited Fellow Employee Coverage | 19. Non-Owned Auto Waiver Of Subrogation |
| 7. Limited Hired Auto - Physical Damage Coverage – Private Passenger (Includes Employee Hired Autos Physical Damage Coverage) | 20. Blanket Waiver Of Subrogation When Required Under Written Contract |
| 8. Custom Signs And Decoration | 21. Coverage Territory – Short Term Hired Commercial "Autos" |
| 9. Extended Towing Coverage | 22. Limited Mexico Coverage |
| 10. Glass Breakage | 23. Unintentional Failure To Disclose Hazards |
| 11. Reimbursement For Increased Temporary Transportation Expense For Private Passenger And Commercial Vehicles | 24. Mental Anguish Resulting From "Bodily Injury" |
| 12. Extra Expense – Stolen Vehicles | 25. Waiver Of Sovereign Immunity |
| 13. Personal Effects Coverage | 26. Application Of This Endorsement |

1. Broadened Insured Status

SECTION II - LIABILITY COVERAGE, Paragraph **A**. Coverage, Subparagraph 1. Who Is An Insured is amended to include as an insured:

- A. Any subsidiary which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Form, while using with your permission a covered "auto."

However, the insurance afforded by this provision **1.A** does not apply to any subsidiary that is an insured under any other automobile liability policy, or would be an insured under such policy but for the termination of such policy or the exhaustion of such policy's limits of insurance.

- B. Any organization you newly acquire or form, and over which you maintain majority interest, while using with your permission a covered "auto".

The insurance afforded by this provision **1.B**:

1. Is effective on the acquisition or formation date, and is afforded only until the end of the policy period of this Coverage Form, or the next anniversary of its inception date, whichever is earlier.
2. Does not apply to "bodily injury" or "property damage" resulting from an "accident" that occurred before you acquired or formed the organization.
3. Does not include any newly acquired or formed organization that is:
 - a. A joint venture or partnership; or
 - b. An insured under any other automobile liability policy, or would be an insured under such policy but for the termination of such policy or the exhaustion of such policy's limits of insurance.

2. Blanket Additional Insured When Required Under Written Contract

Paragraph **A.1**. Who Is An Insured under SECTION II - LIABILITY COVERAGE is amended to add:

- d. Any person, organization or governmental entity with respect to the operation, maintenance, or use of a covered "auto" if you are required to add such person, organization or governmental entity to this policy as an additional "insured" in order to comply with the terms of a written contract or written agreement. This Additional Insured status is not conferred when such written contract or written agreement:

- (1) Involves the owner or anyone else from whom you hire or borrow a covered "auto" unless it is a "trailer" connected to a covered "auto" you own; or
- (2) Is executed after the date of "accident" or "loss";

Paragraph d.(2) above does not apply if:

- (a) the terms and conditions of the written contract or written agreement had been agreed upon prior to the "accident" or "loss"; and
- (b) you can definitively establish that the terms and conditions of the written contract or written agreement ultimately executed are the same as those which had been agreed upon prior to the "accident" or "loss".

Paragraph **a**. of Condition **5**. Other Insurance of Part **B**. General Conditions under Section **IV** - Business Auto Conditions is amended by the addition of the following: Regardless of whether other insurance is maintained by an additional insured on a primary basis, the coverage provided by Provision **2**. of the Commercial Auto Broad Form Endorsement will be primary to and noncontributing with other insurance maintained by the additional insured if the written contract or written agreement between you and the additional insured specifically requires that this insurance be primary.

3. Employee Hired Autos Liability Coverage

The following is added to the Who Is An Insured Provision of SECTION II – LIABILITY COVERAGE:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a written contract or written agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

4. Employees As Insureds

The following is added to the Section II – LIABILITY COVERAGE, Paragraph A.1. Who Is An Insured Provision:

Any "employee" of yours while using with your permission a covered "auto" you don't own, hire or borrow if such "auto" is being used in your business or your personal affairs.

5. Coverage Extensions - Supplementary Payments

Paragraphs a.(2) and a.(4) under SECTION II – LIABILITY COVERAGE, Paragraph 2.a. Supplementary Payments are revised as follows:

1. In a.(2), the limit for the cost of bail bonds is increased to \$5,000; and
2. In a.(4), the limit for the actual loss of earnings is increased to \$1,000 per day.

6. Limited Fellow Employee Coverage

The following is added to Subparagraph 5. Fellow Employee under Paragraph B. Exclusions in SECTION II - LIABILITY COVERAGE:

But this exclusion does not apply if:

- a. the "bodily injury" results from the use of a covered "auto" you own or hire, and
- b. you have Workers Compensation insurance in force covering all of your "employees."

Such coverage as is afforded by this provision is excess over any other collectible insurance.

7. Limited Hired Auto - Physical Damage Coverage - Private Passenger (Includes Employee Hired Autos Physical Damage Coverage)

The following is added to Subparagraph 1. under Paragraph A. Coverage under SECTION III – PHYSICAL DAMAGE COVERAGE:

d. Limited Hired Auto – Physical Damage – Private Passenger

If hired "autos" are covered "autos" for Liability Coverage, and if Physical Damage Coverage of Comprehensive or Collision is provided under this Coverage Form for any "auto" you own, then Comprehensive and Collision Physical Damage Coverages as provided under SECTION III – PHYSICAL DAMAGE COVERAGE of this Coverage Part are extended to "autos" of the private passenger type you or your employee hires under a written contract or written agreement without a driver, at your direction, for the purpose of conducting your business, subject to the following:

- (1) The most we will pay for "loss" to any hired "auto" is \$35,000 or the actual cash value or cost to repair or replace, whichever is the least, minus a deductible.
- (2) The deductible will be equal to the largest deductible applicable to any owned "auto" of the private passenger type for that coverage, or \$1,000, whichever is less.

- (3) Limited Hired Auto – Physical Damage – Private Passenger coverage is excess over any other collectible insurance.
- (4) Subject to the above limit, deductible, and excess provisions we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own of the private passenger type insured under this policy.

Coverage includes loss of use of that hired auto, provided it results from an "accident" for which you are legally liable and as a result of which a monetary loss is sustained by the leasing or rental concern. The most we will pay for any one "accident" is \$20 per day subject to a maximum of \$1,000.

If a limit for Hired Auto – Physical Damage is shown in the Schedule, then that limit replaces, and is not added to, the \$35,000 limit indicated above.

This extension of coverage does not apply to any "auto" you hire or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households.

8. Custom Signs And Decoration

The following is added to Paragraph **A**. Coverage 1. under SECTION III – PHYSICAL DAMAGE COVERAGE:

In the event of a total loss to an "auto" insured for auto physical damage coverage on this policy, in addition to the actual cash value of the "auto", we will pay the actual cost to repair or replace signage or custom paint details up to \$5,000.

9. Extended Towing Coverage

If the named insured carries Comprehensive and Collision Coverage for the damaged covered commercial "auto", then this coverage extension **9**. applies to that covered "auto." If the damaged covered "auto" is of the private passenger type, then in addition to Comprehensive and Collision Coverage, the damaged covered "auto" must also carry Towing Coverage in order for this coverage extension **9**. to apply.

The following is added to Paragraph **A.2**. Towing under SECTION III – PHYSICAL DAMAGE COVERAGE:

We will pay for towing and associated labor costs each time a covered "auto" is disabled. All labor must be performed at the place of disablement. If the "auto" is of the private passenger type, there will be no deductible. If the "auto" is not a private passenger type, a \$250 deductible will apply to this coverage but it will not reduce the available limit of insurance. For all types of "autos", the most we will pay under this coverage is \$1,000 per disablement. "Autos" which are disabled do not include stolen vehicles.

10. Glass Breakage

If you carry Comprehensive Coverage for the damaged covered "auto", then this coverage extension applies to that covered "auto":

The following is added to Paragraph **A.3**. Glass Breakage - Hitting A Bird Or Animal -- Falling Objects Or Missiles under SECTION III – PHYSICAL DAMAGE COVERAGE:

Any deductible shown in the Declarations will not apply to glass breakage if such glass is repaired, in a manner acceptable to us, rather than replaced. If the glass must be replaced and there is no other damage associated with the "loss", the deductible will be \$100 unless a lower deductible is shown on the declarations page for this coverage.

11. Reimbursement For Increased Temporary Transportation Expense For Private Passenger And Commercial Vehicles

A. If The Covered "Auto" Has Comprehensive Or Specified Causes Of Loss Physical Damage Coverage:

Paragraph a. Transportation Expenses under SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions is replaced by the following:

If your covered "auto" is damaged or stolen and the damage or theft is covered by Comprehensive or Specified Causes of Loss coverage provided by this policy, we will pay up to \$50 per day subject to a maximum limit of \$1,500 for the necessary and actual temporary transportation expenses (including rental reimbursement) incurred by you during the period beginning 24 hours after the theft or damage and ending, regardless of the policy's expiration,

- a. when the covered "auto" is returned to use or we pay for its "loss" in the event of a total theft of the covered "auto", or
- b. when the covered "auto" is repaired or replaced, or we pay for its "loss", whichever is earlier in the event of a "loss" due to a cause other than the total theft of the covered "auto."

Except with respect to losses pertaining to the total theft of covered "autos" of the private passenger type, this coverage does not apply while there are spare or reserve "autos" available to you.

No deductible applies to this coverage.

B. If The Covered "Auto" Has Collision Physical Damage Coverage:

If your covered "auto" is damaged and the damage is covered by Collision coverage provided by this policy, we will pay up to \$50 per day subject to a maximum limit of \$1,500 for necessary and actual temporary transportation expenses (including rental reimbursement) incurred by you during the period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, when the covered "auto" is repaired or replaced, or we pay for its "loss", whichever is earlier.

This coverage does not apply while there are spare or reserve "autos" available to you.

No deductible applies to this coverage.

12. Extra Expense - Stolen Vehicles

The following is added under Paragraph A.4.a. Coverage Extensions of SECTION III - PHYSICAL DAMAGE COVERAGE:

We will pay for all reasonable and necessary expenses to return a stolen covered "auto" to the named insured if such covered "auto" carries Comprehensive coverage.

13. Personal Effects Coverage

Paragraph **A**. Coverage under SECTION III – PHYSICAL DAMAGE COVERAGE is amended to add the following coverage:

Personal Effects Coverage

1. We will pay for "loss" to personal property or effects which are owned by an insured and in or on your covered "auto" at the time of "loss" in the event of a total theft of that covered "auto."
2. Subject to Paragraph **C**. Limit Of Insurance under SECTION III – PHYSICAL DAMAGE COVERAGE, we will pay up to \$500 for "loss" of personal property or effects in any one "accident" involving total theft of a covered "auto".

This insurance will not apply if, at the time of "loss", the covered "auto" is unattended, unless the "loss" is the result of forced entry into the covered "auto" while all doors, windows or other openings are closed and locked and there is evidence of forced entry.

Under this extension, we will not pay for "loss" to the following: accounts, bills, currency, deeds, evidences of debt, money, notes or securities; electronic equipment or tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment; jewelry, watches, necklaces, bracelets, gems, gold, platinum, silver, furs; animals, birds, or fish or any motorized vehicle.

This coverage will be excess over any other collectable insurance. No deductible applies to this coverage.

14. Audio, Visual, And Data Electronic Equipment

The sub-limit in Paragraph **C.2**. of the Limit of Insurance Provision of SECTION III- PHYSICAL DAMAGE COVERAGE is increased to \$1,500.

15. Loan/Lease Payoff Coverage

The following is added to Limit of Insurance of SECTION III - PHYSICAL DAMAGE COVERAGE:

In the event of a total "loss" to a covered "auto" shown in the schedule or declarations for which Collision and Comprehensive Coverage apply, we will pay any unpaid amount due on the lease or loan for that covered "auto," less;

1. The amount paid under the Physical Damage Coverage Section of the policy, and
2. Any;
 - a. Overdue lease/loan payments at the time of the "loss";
 - b. Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
 - c. Security deposits not returned by the lessor;
 - d. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
 - e. Carry-over balances from previous loans or leases.

This coverage is limited to a maximum of \$1,500 for each covered "auto".

16. Airbag Coverage

If the named "insured" carries Comprehensive and Collision Coverage for the damaged covered "auto", then this coverage extension 16. applies to that covered "auto".

The following is added to Subparagraph 3.a. under Paragraph B. Exclusions in SECTION III - PHYSICAL DAMAGE COVERAGE:

The accidental discharge of an airbag shall not be considered mechanical or electrical breakdown and therefore shall not be excluded. This provision does not apply to "autos" you hire with a driver and it is excess over any warranty specifically designed to provide this coverage.

17. Multiple Deductible Protection – Covered "Auto" And Trailer

If you carry Comprehensive and Collision coverages for the damaged covered "autos", then this coverage extension 17. applies to those covered "autos":

The following is added to Paragraph D. Deductible under SECTION III - PHYSICAL DAMAGE COVERAGE:

Whenever a covered "auto" and trailer are each damaged in the same "loss" while operating as a combined truck and trailer unit, only one deductible shall apply to the "accident". The larger of the two deductibles shall apply.

If another policy or coverage form issued by us, that is not an automobile policy or coverage form, applies to the same "loss" or "accident", the following applies:

1. If the deductible under this Business Auto Coverage Form is not the largest deductible, it will be waived.
2. If the deductible under this Business Auto Coverage Form is the largest deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

18. Duties In The Event Of An Accident, Claim, Suit, Or Loss

- A. Subparagraph 2.a. under Paragraph A. Loss Conditions in SECTION IV – BUSINESS AUTO CONDITIONS is amended so that your obligations relative to notification requirements apply only when the "accident" or "loss" is known to:
 1. You, if you are an individual;
 2. A partner, if you are a partnership;
 3. A member, if you are a joint venture;
 4. An executive officer, insurance manager or any other person designated by you to send notices of "accidents" or "loss" to insurers, if you are a corporation; or
 5. A member, if you are a limited liability company.
- B. Subparagraph 2.b.(2) under Paragraph A. Loss Conditions in SECTION IV – BUSINESS AUTO CONDITIONS is amended so that your obligations relative to providing us with documents concerning a claim or "suit" will not be considered breached unless the breach occurs after such claim or "suit" is known to:
 1. You, if you are an individual;
 2. A partner, if you are a partnership;
 3. A member, if you are a joint venture;
 4. An executive officer, insurance manager or any other person designated by you to send notices of claims or "suits" to insurers, if you are a corporation; or
 5. A member, if you are a limited liability company.

19. Non-Owned Auto Waiver Of Subrogation

The following is added to Subparagraph 5. Transfer Of Rights Of Recovery Against Others To Us, under Paragraph A. Loss Conditions in SECTION IV – BUSINESS AUTO CONDITIONS:

We hereby waive any right of subrogation against any of your officers, directors, or "employees" which might arise by reason of any payment under the insurance afforded by this policy for the operation, maintenance, use, loading, or unloading of non-owned "autos".

This waiver extends only to payments in excess of other valid and collectible insurance available to the officer, director, or "employee".

20. Blanket Waiver Of Subrogation When Required Under Written Contract

The following is added to Subparagraph 5. Transfer Of Rights Of Recovery Against Others To Us, under Paragraph A. Loss Conditions in SECTION IV - BUSINESS AUTO CONDITIONS:

However, we waive any right of recovery we may have against a person, organization or governmental entity when you have waived such right of recovery under a written contract or written agreement provided such written contract or agreement is:

1. currently in effect or becoming effective during the term of this policy; and
2. executed prior to the "accident" or "loss"; or
3. executed after the "accident" or "loss" if:
 - a. the terms and conditions of the written contract or written agreement had been agreed upon prior to the "accident" or "loss"; and
 - b. you can definitively establish that the terms and conditions of the written contract or written agreement ultimately executed are the same as those which had been agreed upon prior to the "accident" or "loss".

21. Coverage Territory - Short Term Hired Commercial "Autos"

Paragraph 7. Policy Period, Coverage Territory under Paragraph B. General Conditions in SECTION IV – BUSINESS AUTO CONDITIONS is amended by the addition of the following:

The coverage territory is extended to anywhere in the world if:

1. A covered "auto" of the commercial van, pick-up, or truck type is leased, hired, rented or borrowed for a period of 30 days or less; and
2. The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

We will also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

22. Limited Mexico Coverage

WARNING

AUTO ACCIDENTS IN MEXICO ARE SUBJECT TO THE LAWS OF MEXICO ONLY - **NOT** THE LAWS OF THE UNITED STATES OF AMERICA. THE REPUBLIC OF MEXICO CONSIDERS ANY AUTO ACCIDENT A **CRIMINAL OFFENSE** AS WELL AS A CIVIL MATTER.

IN SOME CASES THE COVERAGE PROVIDED UNDER **THIS ENDORSEMENT MAY NOT BE RECOGNIZED BY THE MEXICAN AUTHORITIES** AND WE MAY NOT BE ALLOWED TO IMPLEMENT THIS COVERAGE AT ALL IN MEXICO. YOU SHOULD CONSIDER PURCHASING AUTO COVERAGE FROM A LICENSED MEXICAN INSURANCE COMPANY BEFORE DRIVING INTO MEXICO.

THIS ENDORSEMENT DOES **NOT** APPLY TO ACCIDENTS OR LOSSES WHICH OCCUR OUTSIDE OF 25 MILES FROM THE BOUNDARY OF THE UNITED STATES OF AMERICA.

A. Coverage

1. Paragraph 7. Policy Period, Coverage Territory of the General Conditions is amended by the addition of the following:

The coverage territory is extended to include Mexico but only for:

- a. "Accidents" or "losses" occurring within 25 miles of the United States border; and
 - b. Trips into Mexico of 10 days or less.
2. Condition 5. Other Insurance of Part B. General Conditions under Section IV - Business Auto Conditions is replaced by the following:

The insurance provided by this Provision 22 will be excess over any other collectible insurance.

B. Physical Damage Coverage is amended by the addition of the following:

If a "loss" to a covered "auto" occurs in Mexico, we will pay for such "loss" in the United States. If the covered "auto" must be repaired in Mexico in order to be driven, we will not pay more than the actual cash value of such "loss" at the nearest United States point where the repairs can be made.

C. Additional Exclusions

The following additional exclusions are added:

This insurance does not apply:

1. If the covered "auto" is not principally garaged and principally used in the United States.
2. To any "insured" who is not a resident of the United States.

23. Unintentional Failure To Disclose Hazards

The following is added to Paragraph B. General Conditions in SECTION IV - BUSINESS AUTO CONDITIONS:

If you unintentionally fail to disclose any hazards existing on the effective date of this policy, we will not deny coverage under this Coverage Form because of such failure. However, this provision does not affect our right to collect additional premium due to us as a result of these undisclosed hazards in accordance with our filed rating plans.

24. Mental Anguish Resulting From "Bodily Injury"

The definition of "bodily injury" in SECTION V - DEFINITIONS is replaced by the following:

"Bodily injury" means physical injury, physical sickness or physical disease sustained by any person, including "mental anguish" or death resulting from any of these. It does not include mental anguish to any person which occurs in the absence of physical injury, physical sickness or physical disease to that person.

For the purpose of this provision, the term "mental anguish" shall mean any type of mental or emotional illness or distress.

25. Waiver Of Sovereign Immunity

The following provision applies if you are a "governmental entity" or we have added a "governmental entity" to your policy as an additional insured, and the "governmental entity" requires us to obtain permission prior to asserting a defense involving governmental immunity or the jurisdiction of the tribunal over the "governmental entity":

We shall not raise any defense involving, in any way, the jurisdiction of the tribunal over the "governmental entity", the immunity of the "governmental entity" or its commissioners, officers, agents or employees, the governmental nature of such entity, or the provisions of any statutes respecting suits against the "governmental entity" without first obtaining express advance permission from the designated representative of the "governmental entity."

Application of this provision shall not subject us to liability for any portion of a claim or judgment in excess of the applicable limit of insurance.

For the purposes of this provision, "governmental entity" means a state, county, district, municipality, town, township, borough, parish, village, or other political subdivision or governmental agency or subdivision.

26. Application Of This Endorsement

The coverage enhancements provided by this endorsement apply to the Business Auto Coverage Form. If your policy includes other endorsements in addition to this Commercial Automobile Broad Form Endorsement, and there is a conflict between any of the terms of such endorsement(s) and this Commercial Automobile Broad Form Endorsement, the terms of the other endorsement(s) shall be given priority and control over the terms set forth in this Commercial Automobile Broad Form Endorsement, even if the terms of such other endorsement(s) have the effect of limiting, excluding or reducing the coverage provided under this Commercial Automobile Broad Form Endorsement.

All other terms and conditions remain unchanged.

TEXAS WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because Texas is shown in Item 3.A. of the Information Page.

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, but this waiver applies only with respect to bodily injury arising out of the operations described in the Schedule where you are required by a written contract to obtain this waiver from us.

This endorsement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

The premium for this endorsement is shown in the Schedule.

Schedule

1. () Specific Waiver
Name of person or organization

(X) Blanket Waiver
Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.

2. Operations: ALL TEXAS OPERATIONS

3. Premium

The premium charge for this endorsement shall be 2.00 percent of the premium developed on payroll in connection with work performed for the above person(s) or organization(s) arising out of the operations described.

4. Advance Premium INCLUDED, SEE INFORMATION PAGE.

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.

(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)

This endorsement, effective on

at 12:01 A.M. standard time, forms a part of

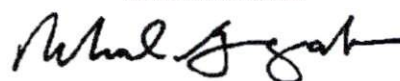
Policy No. TSF-0001253554 20130531 of the Texas Mutual Insurance Company

Issued to BRAZOS URETHANE INC

DBA: ROOF MAINTENANCE & LEAK REPAIR

Premium \$

Endorsement No.



Authorized Representative

WC420304A (ED. 1-01-2000)