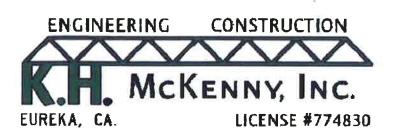
2016

Proposal to Develop Office Space for the Humboldt County Department of Health and Human Services





Proposal By:
Kevin McKenny
P.O. Box 115
Cutten, CA 95534
T: (707) 444-9659
kevin@khmckenny.com

7/15/2016



Phone: 707-444-9659

Ronda Kime Humboldt county Public Works 1106 2nd St Eureka Ca 95501

RE:

RFP for DHHS building in McKinleyville Ca

Ronda

This letter is meant as an introduction to our proposal to build a new ground up constructed Building at 1615 Heartwood Dr in Mckinleyville to house the DHHS programs for that area.

The site is located less than one quarter mile from the bus stop on Central ave and is located Approximately 200 ft. west of the Signalized intersection of Central and Heartwood. Central Ave is the main Arterial Street in McKinleyville and Heartwood has recently been extended through to provide access to Mckinleyville Ave. The site is well located, easily accessible and sits in the Heart of the Mckinleyville community.

We are proposing a new 13400 sf building on the site with 98 parking spaces which easily allows for expansion of 3000 sf or more upstairs. The Proposed building houses the entire program as requested on the first floor. The expansion area is proposed to be upstairs. The building was designed to fit into the neighborhood and will enjoy lots of window space and good exposure to the sun while the entry and play area will be sheltered from wind.

The building was designed so the Public space flows out of the lobby into a large corridor that leads to the conference rooms. The kitchen classroom is off the large conference room and could have an opening in the wall to serve the conference area. The small conference room could easily have a folding door to expand the large conference room if requested. An exterior door is planned out of the conference room to a patio on the west side. Located off the main corridor is space allocated to a future elevator shaft and stairway for expansion upstairs. Work areas 1 & 2 can be moved to either side of the public space. Our drawings show work area 1 on the south west side but the space allows for that group to easily fit into the North Easterly side of the public area.

This proposal is being made by Kevin Mckenny Individually. Mr. Mckenny does own the property Free and clear and would welcome the opportunity to develop the office as proposed here in the Submittal to your RFP. Contact information is

Kevin Mckenny PO Box 115 Cutten Ca 95534 707 599-2616

TABLE OF CONTENTS

| 1. COVE | R | | 1 page |
|---------------|-----------------------------------------------------------|------------------------------|----------|
| 2. LETTE | R OF INTRODUCTION | ************ | 1 page |
| 3. TABLE | OF CONTENTS | | 1 page |
| 4. DESCI | RIPTION OF PROPOSED SITE AND BUILDING | | 5 pages |
| 4 | 1.1 - LOCATION MAP | 1 page 1 page | |
| 5. EXPAN | NSION PLANS | ••••• | 2 pages |
| 5 | 5.1 - SECOND FLOOR PLAN | 1 page | |
| 6. DESCI | RIPTION OF PROPOSER | | 2 pages |
| 7. DESCI | RIPTION OF QUALIFICATIONS | | 2 pages |
| 8. ASSIG | NMENTS | ••••• | 8 pages |
| Д | RCHITECT | 3 pages | 3 |
| ħ | /IECHANICAL ENGINEER | 4 pages | 3 |
| 9. OTHER | RESOURCES | | 1 page |
| 10. SCH | EDULE | | 2 pages |
| 11. COST | T PROPOSAL | ******* | 4 pages |
| | OST BREAKDOWN TRADE CONTRACTOR LIST | | 3 |
| 12. REFE | RENCES | | 1 page |
| 13. BUSI | NESS STRUCTURE, FINANCING, OWNERSHIP, INSURANCE, SIGNATUR | E | 14 pages |
| 0 11 11 | INANCING LETTER (14) | 1 page 5 pages 4 pages | i |

DESCRIPTION OF PROPOSED SITE & BUILDING



P.O. Box 115 Cutten, CA: 95534 Phone: 707-444-9659

Description of the proposed Site and Building

Proposed DHHS building in McKinleyville for the RFP, July15, 2016

We are proposing a 13400 sf building to be constructed on the site located at 1615 Heartwood Drive. The site was historically used to park new cars for sale from Opie's Chevrolet. The site is fully paved at this time. It is located just westerly of Starbucks / Burger King and enjoys good sight visibility from Central ave. Central Ave is the main arterial for Mckinleyville it runs North South and comes off Hwy 101 to the south. The proposed site is less than one quarter mile from the bus stop on Central Ave and it is just westerly from the signalized intersection of Central and Heartwood. The proposed Building will be easily seen from the signalized intersection. Heart wood Dr has recently been extended through and now runs down to McKinleyville Avenue, providing very easy access to this site from anywhere in McKinleyville. Coupled with Humboldt Transit system bus service to this area the site is easily accessed from anywhere in Humboldt County. The site has a paved alley serving it to the East and we will have traffic flow through the parking lot to the alley so vehicular traffic patterns are well served in this area.

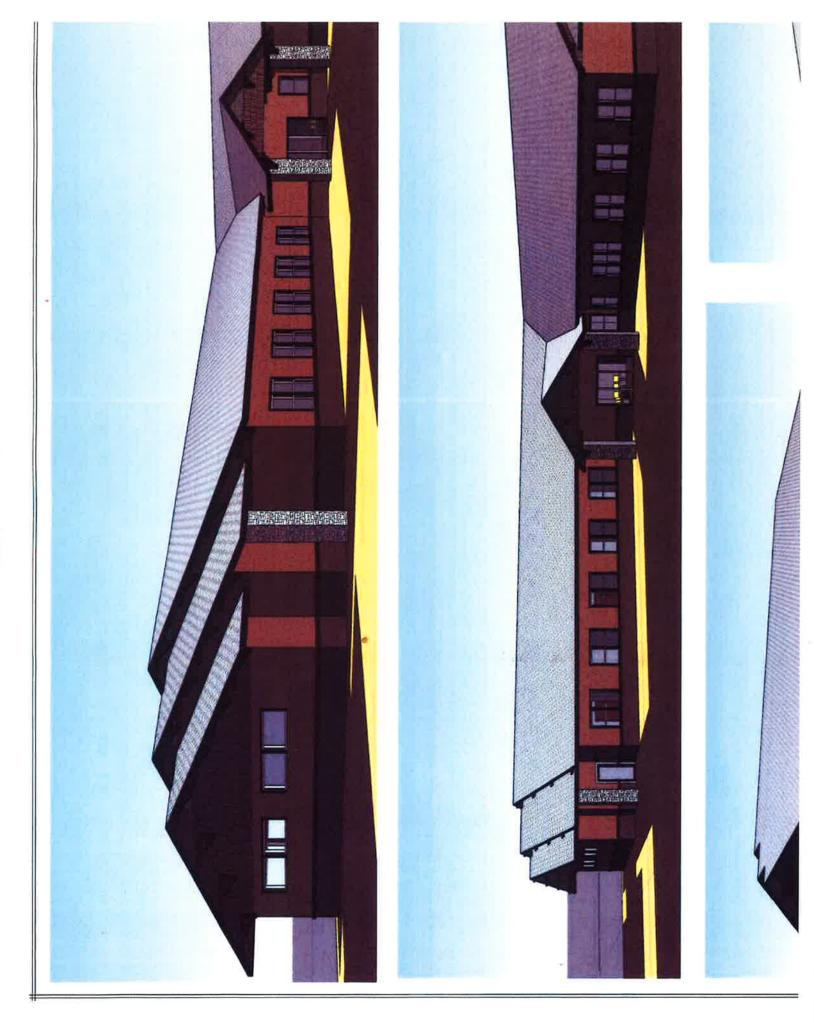
The building as proposed is a new single story wood framed structure (Type V nr) with stucco siding and Masonry accents. The building was designed to fit into the neighborhood and will enjoy lots of window space and good exposure to the sun while the entry and play area will be sheltered from wind. Room for expansion was planned into a future second floor. The requirements for the expansion area would need to be discussed We have designed for up to 3000 sf. Additional space could be obtained. The site is zoned appropriately as C-2 and as stated has been paved with the drainage, water sewer and other utilities in place. The building is proposed to be set back off Heartwood Drive with parking in the front. We are using 10 foot setbacks on the north and west sides to provide free opportunity for windows on those walls.

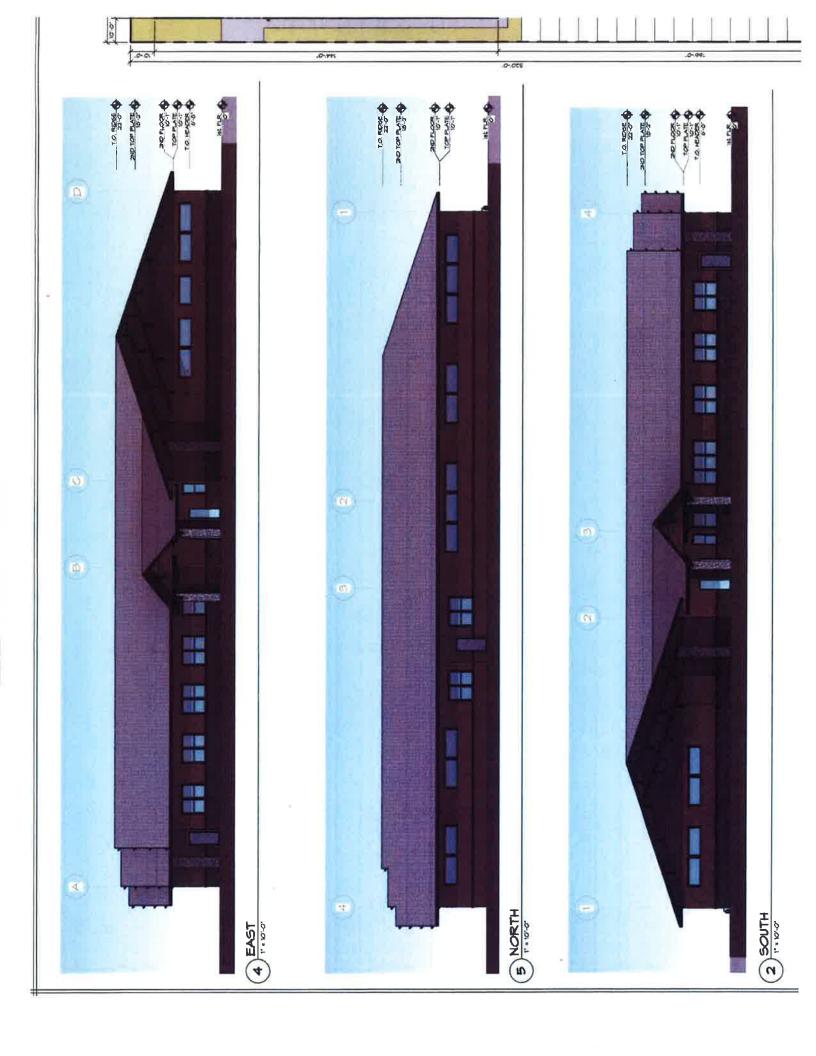
The site will be redeveloped for the addition of the proposed new building. The parking lot will be reconfigured to provide a wide swath of landscaping down the middle of the parking area. This will be constructed to provide LID design aspects and will soften the landscape in that area. It is anticipated to make that area a focal point with a meandering walkway and trees filtered into area plantings providing a tranquil walk up to the building. The west side of the building will have a patio off the conference room to spill out onto during breaks. We anticipate landscaping that area to enjoy the westerly sun exposure. There are 98 parking spaces using compact spaces at appropriate locations. The parking lot adjoins an alley to the East that is used as an alternate driveway into the building from other commercial buildings in the area. We designed a drop off point near the entrance for traffic to easily drop off passengers and then park their vehicle. The parking lot is equipped with light poles now and they are to remain in place. The lighting will be replaced with new high efficiency LED bulbs to provide a well-lit parking area that is easily seen and secure.



Phone: 707-444-9659









EXPANSION PLAN



Phone: 707-444-9659

Expansion Plan;

Proposed building located at 1615 Heartwood McKinleyville (DHHS RFP)

The proposed building will have 3000 square feet of second floor space designed into it. The size and design would need to be further discussed of course during the design phase.

The proposal shows the second floor space built into the attic of the building. We can provide Shed dormers in various locations for windows and/or provide additional skylights for the natural light. The expansion space is difficult to design for because the amount and the use was not well defined. Because of that and being cognizant of the overall costs we were forced to show the space in the least expensive manner we could. We are proposing a new ground up construction building.

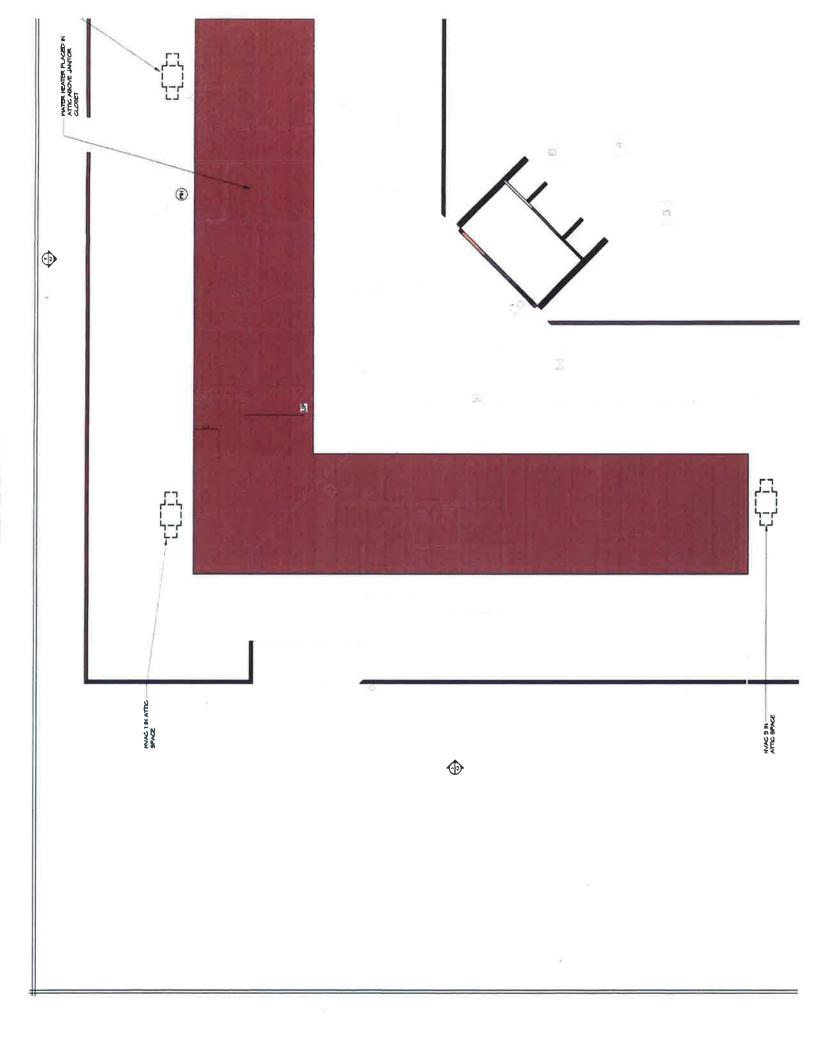
The costs associated with the requirements of a new building, coupled with prevailing wage and limited Craftspeople available to the area make our proposal difficult to compete with an existing building. The fact that no requests for substitution asking to reuse existing facilities or portions of an existing building made it so we could compete at all. It is very expensive to build and we would need more information to economically provide a user friendly expansion space to this new building. Again, the proposed building has up to 3000 sf of area in the attic space for expansion. The steps need to finish the expansion space would require full Tennant Improvements to that area and the installation of an elevator that would be located in a preplanned location.

Of additional note; the plan submitted with this proposal has one additional office and one additional Modular space shown in the plan based on efficiency of the designed space.

Thank you for consideration

Kevin Mckenny PE

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DESCRIPTION OF PROPOSER



Phone: 707-444-9659

Description of the Proposer;

Proposed Building at 1615 Heartwood DR McKinleyville

Kevin Mckenny PE located at 1531 Claire Ct in Eureka as an individual is the Proposer

Education:

'Masters of science in Civil Engineering University of California at Berkeley 1983 Bachelor of Science in Civil Engineering California State University Sacramento 1982

Professional Registration:

Registered Civil Engineer California License C45971 California Engineering and Building Contractor License (774830)

Experience:

Mr. Mckenny is the corporate president of KH Mckenny Inc a Design Build firm located in Eureka Ca. Specializing in development projects on the Northern California Coast. Mr. Mckennys' responsibilities include; Land use/zoning analysis, Alternatives based on environmental issues, Project layout, and CEQA documentation and processing, Project design and Economic analysis, Budgeting, Construction documents development, Code compliance, Building permit processing and complete building construction.

Current Projects include:

Customer Truck Shop and Offices Alton Ca

Airport Rd Self storage Expansion Fortuna Ca

RMI building (Redwood Marine Inc) Broadway Eureka (recently completed)

Housing project Xavier Ct Fortuna

New warehouse space for lease Drake Hill Fortuna

Past projects include:

Hertz Rental car Building design construction Eureka

PG&E Intermodal Roadway construction, PG&E Power plant King Salmon

Quality Inn Eureka design reconstruction,

Harper Ford Roadway & Heap accessibility Design and Reconstruction.

St Joseph Heritage Healthcare Professional Offices design and reconstruction

Gospel Outreach Subdivision and Church design and construction.

Eureka Ice Plant Permitting deconstruction and shutdown

St Joseph Hospital Outpatient Imaging Center design and construction.

Eureka Fisheries Dock design and construction Ciato fisheries plant TIs

Mid City Motor World Building and parking lot design and reconstruction

Airport Rd Self Storage facility Multiple housing projects

History:

Prior to establishing KH Mckenny Inc Mr. Mckenny ran Mckenny and Sons Inc, a family run building and Development Company in Eureka Ca for 15 years. Mckenny and Sons designed and constructed many projects in the Humboldt County area including works for ;Palco, PG&E, LP, Eureka Fisheries, Coastal Care Corp, St Joseph Hospital, Harper Family Motors, Ayers Distribution, Eureka Ice, Quality Inn Arcata, Arcata EDC, HBHDC, as well as many Housing Development projects across Humboldt County.

Community Service:

Serves on the Humboldt County Planning Commission

Served on the Board of Humboldt Community Services District 27 years.

Served on the Humboldt County LAFCO 3 terms

Served on the Associated California Waters Agencies Joint Powers Insurance Board 3 terms.

Served as vice chair for the Greater Eureka Area General Plan update.

Served as Chairman on the Eureka City Building Dept Board of Appeals 4 terms

Served on the Humboldt Builders Exchange board 1 term; founding member NCHB

Awards:

Humboldt Builders Exchange Construction person of the year 1998 Cal Trans Excellence in Transportation Eureka Corridor 101 Beautification

References:

| Dan Harper | Harper Family Motors | (707) 443-4871 |
|------------------|-------------------------------|----------------|
| David Sczepanski | Gospel Outreach Church | (707) 445-2214 |
| Dan Comer | RMI (Redwood Marine Inc) | (707) 443-7029 |
| Rob Mclaughlin | ERM (Customer Truck Service) | (707) 822-1795 |
| Tom Mulder | St Joseph Heritage Healthcare | (707) 269-0644 |

DESCRIPTION OF QUALIFICATIONS



Phone: 707-444-9659

Description of Qualifications;

Proposed DHHS Building at 1615 Heartwood Dr. McKinleyville.

Kevin Mckenny PE located at 1531 Claire Ct in Eureka as an individual is the Proposer.

Mr. Mckenny is a licensed Building and Engineering contractor in California since 1977 He obtained his BS in Civil Engineering and a MS in Civil/ Structural Engineering from UC Berkeley. Mr. Mckenny has Extensive Experience in Project Cost / Benefit Analysis

Mr. Mckenny has been designing and building buildings in the Humboldt county area for 40 years. He has developed housing projects, Commercial Development of Offices, Retail buildings and Large Industrial building developments.

Prior to establishing KH Mckenny Inc, he ran Mckenny and Sons Inc, a family run Building and Development Firm in Eureka Ca. Mckenny and Sons designed and constructed many projects in including major works for; PALCO, PG&E, LP, Eureka Fisheries, Coastal Care, St Joseph Hospital, Harper Family Motors, Ayers Distribution, Eureka Ice, Quality Inn Arcata, Arcata EDC, HBHDC, as well as many Housing Development projects.

The project design team

| TBA Architects is the proposed Architect | Lic C 26209 |
|---------------------------------------------------------|----------------|
| SEE Engineering is the proposed soil Engineer | Lic C 41457 |
| Frontier is the proposed Mechanical Engineer | Lic M 35923 |
| Pace Engineering is the proposed Electrical Engineer | Lic E 12726 |
| Kevin Mckenny is the proposed Civil/Structural Engineer | Lic C 45971 |
| KH Mckenny Inc is the Proposed Building Contractor. | Lic 774830 A&B |

Similar Projects include:

Customer Truck Shop and Offices, Alton Ca This is a 14000 sf Truck shop with a 2500 sf office space attached. We designed and are under construction on this project. The site is within the Coastal zone and we worked with multiple agencies to obtain the required permits. We designed the new LID drainage and runoff storage facilities within the newest requirements of the NCWQMA. The site required extensive grading and drainage works. The building was designed to shed the prevailing winds up the Eel valley and we incorporated a landscaped courtyard for the staff off the break room

RMI building (Redwood Marine Inc.) Broadway Eureka We designed and built this approx. 25000 sf retail store off Broadway and W Cedar in Eureka. The building was ground up new and it came in on time and on budget. Redwood capital bank financed the project and provided a very good partnership for our financing. This Project took a Brownfield property and we permitted it through all the

agencies for clean-up and wetland restoration as well as traffic related issues. The building took seven years to permit and 9 months to build through the winter of 2015. We did the economic analysis and the required bank forms for lease rates etc. This project was recently completed.

Hertz Rental car Building design construction Eureka We did a ground up design and construction of the Hertz rental car building in Eureka for the Harper Family. We did work with Hertz on the design and rental rates etc.

St Joseph Heritage Healthcare Professional Offices design and reconstruction. We did a design and reconstruction for St Joe at 2350 Buhne St in Eureka. This included creating medical office space for the Heritage Healthcare group. I own this building and lease to them

Gospel Outreach Church/Classrooms design and construction. We worked with the gospel Outreach Group to design and construct their Church and school facility. We have no other affiliation to the group only the ability to get the project designed, permitted and constructed in a timely economical way.

St Joseph Hospital Outpatient Imaging Center design and construction. We designed and constructed the Outpatient Imaging center located at 2330 Buhne St in Eureka. This is a project owned and leased to St Joseph Hospital by Kevin Mckenny

References:

| Dan Comer | RMI (Redwood Marine Inc) | (707) 443-7029 |
|------------------|-------------------------------|----------------|
| Rob Mclaughlin | ERM (Customer Truck Service) | (707) 822-1795 |
| David Sczepanski | Gospel Outreach Church | (707) 445-2214 |
| Tom Mulder | St Joseph Heritage Healthcare | (707) 269-0644 |
| Dan Harper | Harper Family Motors | (707) 443-4871 |
| | y 2.00000 | (107) 115 1071 |





Phone: 707-444-9659

Assignments;

Kevin Mckenny will lead the team throughout the project Design. Mr. Mckenny is a licensed Civil Engineer in California. He will track the project through permitting and act as the construction Superintendent.

The Staff at KH Mckenny Inc. Builders has accomplished many building and development Projects.

They include as foreman.

John Hokman:

Earthwork and underground construction

(28 years in construction locally)

Larry Nelson;

Concrete construction and Framing

(45 years in construction locally)

Peter Rankin

Finish Carpentry

(46 years in construction locally)

Design Team;

TBA Architects will work with the county staff and DJ Cleek Drafting will draft the construction Documents see attached brochure

Stan Elcock will do the Soils engineering. SEE Engineering has extensive experience in Civil Engineering from working with Caltrans Etc.

Frontier Consulting Engineers, Inc. will provide Mechanical Engineering, Title 24 Energy Compliance Calculations, as well as the code required Energy Commissioning. Ben Abrahamsen, PE, Mechanical Engineer, has extensive knowledge of the code and ventilation systems for offices, including a very recent HVAC remodel of the 10,000 s.f. Tehama County Health Services Building in Red Bluff, CA

Pace Engineering will be the Electrical Engineers. Chris Abrahamsen as the designer has completed many Large office complexes in Northern California

Kevin Mckenny will work with O'Hern surveyors to do the Site Civil Drawings. He will do the Structural Design as well.

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Thomas Bond & Associates is a full service Architectural firm located in Northern California. The firm was opened in late 1999 and operated for several years in the Los Angeles area. In 2004 we relocated to Humboldt County and opened a small office in Eureka. Prior to 1999, Thomas Bond was a Project Architect & Associate for almost 20 years with the respected firm of Architects Pacifica Ltd in Southern California. Mr. Bond is a licensed **Architect** in the State of California (C26209) and a **Certified Construction Specifier** (CCS).

We have been involved in a variety of projects over the years including:



Department Stores

Shopping Centers

Office Buildings

Renovations of Existing Buildings

Earthquake Repair and Seismic Upgrades

Retail Stores

Residences

We offer a full range of Architectural services including Site Planning, Design, Construction Documents, Specifications and Construction Observation. In recent years our focus has turned to cost control and sustainable design. We work closely with LEED certified Engineers to design environmentally sound and long term cost effective projects. We have a strong background in Project Management, and have a reputation for developing well thought out designs and detailed Construction Drawings. Most of our clients are repeat customers.

Some of our projects:

Sephora Store in Las Vegas (shown above)



Coach Store in Hollywood

A 1500 square foot retail store at the Hollywood and Highland Center for the Duty Free Stores

Terra Vista Town Center in Rancho Cucamonga



Sixty acre Lifestyle Center with three Majors, numerous Restaurant and Retail Pads and a Food Court / Theatre complex.



Entertainment Courtyard with lighted sculpture and fountain. (Drive approaching courtyard shown above.)

WE PROVIDE THE FOLLOWING SERVICES:

- Design Consultation
- Preliminary Design / Feasibility Assessment
- Design Development
- Working Drawings & Specifications
- Permit Application and Jurisdiction Communications
- Competitive Bidding for General Contractor
- Construction Observation

Please feel free to contact our office to discuss your project. Lists of projects, clients and references are available upon request.



THOMAS BOND, Principal

Mr. Thomas Bond brings to TBA more than 20 years of experience concentrating in Project Management Originally with the firm of Ladd, Kelsey, Woodward, he joined Architects Pacifica Ltd (APL) at its inception in 1981. Mr. Bond was employed at APL until it merged with MCG Architecture in 1999. As a Project Architect and Associate in the firm, Mr. Bond was involved in business development, site planning, design and project management. During his association with APL, he managed a wide variety of award winning projects to their successful completion

Mr. Bond received his Architectural training as an intern in the firm of Ladd. Kelsey Woodard and as a student in the Architectural Program at Orange Coast College in Costa Mesa, CA. He also holds an Associate in Arts Degree from Rio Hondo College in Whittier, CA

Mr Bond is now the Owner and Principal of Thomas Bond & Associates which began practice in 1999 with a focus on retail & commercial projects

Some of the projects by Thomas Bond include:

- Chino Town Square (40 acre Retail Center) Chino, CA
- Terra Vista Town Center (60 acre Retail Center) Rancho Cucamonga, CA
- Edwards Cinema Rancho Cucamonga, CA
- Pacifica Office Building Irvine Spectrum, CA
- Motorola Office Building Irvine Spectrum, CA
- Loehmann's Store Reseda, CA
- Au Bon Pain Bakery/Cafes (12 locations) in California
- Sears Department Store Remodel Santa Monica, CA
- Sears Department Store Hemet, CA
- Bloomingdales Palo Alto, CA
- Macy's Department Store Remodel San Jose, CA
- Sephora Stores (51 locations) Nationwide
- Duty Free Store Tom Bradley Terminal, LAX
- Duty Free Store Remodel Hollywood & Highland, CA
- Burroughs Residence Renovation Ferndale, CA
- Rolff Residence Shelter Cove, CA
- Coach Store Hollywood & Highland, CA
- Hermes Store Tom Bradley Terminal, LAX
- Cobb Residence Eureka, CA
- Gucci Store Tom Bradley Terminal, LAX

Mr Bond manages his projects and team members with success and works to build strong rapport with clients, consultants and local jurisdictions, aiding in the smooth flow of a project. Mr. Bond's previous employment also includes positions as Project Coordinator at Bullock's Store Planning and Director of Engineering at Stonebridge Homes, a modular housing builder

Mr Bond is a Certified Construction Specifier (CCS) and is a licensed Architect in the State of California (C26209)





FRONTIER CONSULTING ENGINEERS, INC.

Company Background

After graduating from the University of Rochester and working in a consulting engineering firm in Rochester, NY, for several years, Ben Abrahamsen returned home to the Northern California and founded Abrahamsen Engineering in 2011. We have developed strong relationships throughout the community, and the business growth has led to several new hires. In 2013, we changed the company name to Frontier Consulting Engineers, Inc. We have grown to a small firm of five and have successfully provided engineering design services to a wide variety of clients all over northern California. Our experience includes commercial, institutional, industrial, educational, medical, and residential facilities.

The services we provide include the following:

HVAC design

Plumbing design

Energy analysis and modeling

Energy audits

Commissioning

Retro-commissioning

Industrial ventilation system design

Process piping design

Control system design

Feasibility studies

Title 24 compliance

LEED compliance

Recent projects include work the following clients:

Butte County

California Department of Transportation

City of Redding

Klamath Trinity JUSD

McKinleyville Fire Department

Mercy Medical Center

Pacific Gas and Electric

Redding Electric Utility

Shasta College

Shasta County

Shelter Cove Community Center

Sierra Plumas JUSD

Southern Aluminum Finishing Company

Tehama County

Win River Casino

Xerox Corporation

Yurok Tribe

Yreka High School

Certifications

- Professional Engineer, California, License #M-35923
- Qualified Commissioning Process Provider, University of Wisconsin-Madison



Education:

 University of Rochester: BS, Mechanical Engineering

Professional Affiliations:

- American Society of Heating Refrigeration and Air Conditioning Engineers – Member
- American Society of Plumbing Engineers – Member
- National Fire Protection Association – Member

Certification/Registration:

- Professional Engineer, California, License #M-35923
- Qualified Commissioning Process Provider, University of Wisconsin-Madison

Mr. Abrahamsen is a mechanical engineer with a diverse project background, including HVAC and plumbing design, process piping design, commissioning, construction administration, energy audits, and renewable energy evaluation. As a result, Mr. Abrahamsen has developed expertise at addressing the needs of a wide variety of clients, including educational, institutional, industrial, and commercial. He has a proven ability to undertake challenging projects and meet aggressive deadlines. Apart from his technical expertise, Mr. Abrahamsen is a skillful communicator and is able to work closely and productively with design professionals, maintenance personnel, contractors, and owners.

Key Projects:

• KTJUSD Modernization Projects

Mr. Abrahamsen performed HVAC and plumbing design for the modernization of multiple buildings on the campuses of Trinity Valley Elementary School, Orleans Elementary School, and Jack Norton Elementary School. Each campus included a kitchen remodel, HVAC upgrades in classrooms, HVAC upgrade in the multi-purpose rooms, conversion to propane as a primary fuel source for the campuses, and control system upgrades to automate the operation of the HVAC systems. At two of the sites, the modernization included new boiler systems for campus heating needs as well.

• Tehama County Health Services Remodel

Mr. Abrahamsen performed HVAC, plumbing, and fire sprinkler design for a 10,000 square foot remodel of the existing Tehama County Health Services facility in Red Bluff, CA. The design included measures to improve ventilation and redundancy in the mechanical and plumbing systems.

• Shasta County Probation Department Remodel

Mr. Abrahamsen performed HVAC and plumbing design for the remodel of two buildings on Court Street for the County Probation Department, consisting of approximately 8,500 square feet of remodel space. The project included innovative use of existing chases to allow for minimal disruption to second floor operations.

Shasta County Health and Human Services Remodel

Mr. Abrahamsen provided mechanical and plumbing design for an upgrade project at the Shasta County HHSA facility. The project included mechanical system replacement and ductwork modifications to improve zone control, ventilation, and cooling capacity.

Tehama County Jail HVAC Replacement

Mr. Abrahamsen provided mechanical and plumbing design for the replacement of the majority of the HVAC systems serving the existing Tehama County Jail. The design included measures to improve the indoor air quality and ventilation systems. A detailed phasing plan was developed to allow for construction to be completed while maintaining an occupied jail facility.

Ben Abrahamsen, P.E., QCxP

• City of Redding Police Department

Mr. Abrahamsen performed HVAC, plumbing, and fire sprinkler design for a new 16,000 square foot facility for the City of Redding Police Department. The facility included evidence storage, locker room, exercise rooms, office, briefing, and break room areas. The mechanical and plumbing systems were designed with simplicity and functionality in mind. The mechanical design incorporated ice storage equipment to minimize the electrical demand on the utility during peak hours. All systems were designed in accordance with the requirements of the Essential Services Act.

• PG&E Pit 3 Powerhouse Remodel

Mr. Abrahamsen performed HVAC and plumbing design for the remodel of approximately 5,000 square feet of an existing powerhouse on the Pit River, constructed in the 1920s. The remodel included new HVAC systems, bathroom and kitchen remodels, and careful coordination with the existing historic building structure.

• Win River Hotel Tower and Casino Expansion

Mr. Abrahamsen provided mechanical and plumbing re-design services and construction administration for a new 84-bed three-story hotel and a 6,400 square foot casino expansion for the existing 75,000 square foot casino. Design included a full-service kitchen and bar in the casino expansion and a spa in the hotel. The re-design services were completed during construction, so the project required careful coordination with all members of the project team.

Hoopa Valley Tribe Neighborhood Facility

Mr. Abrahamsen performed HVAC, plumbing, and fire sprinkler design for an upgrade to the neighborhood facility located in Hoopa, CA. The upgrade included new HVAC systems for the office areas, locker rooms, and for the gymnasium. The gymnasium HVAC systems included high efficiency filtration to minimize the effect of wildfire smoke during the summer months.

Holy Family Catholic Church

Mr. Abrahamsen performed HVAC and plumbing design for a new 14,000 square foot facility for the Holy Family Catholic Church in Weed, CA. The facility included sanctuary, confessional, classroom, and administrative spaces, as well as a commercial kitchen. The mechanical systems including hydronic heating and careful measures to attenuate sound throughout the facility.

Redding Electric Utility Tenant Improvements

Mr. Abrahamsen performed HVAC and plumbing design for a tenant improvement project for a 28,000 square facility for Redding Electric Utility (REU). The project included life cycle cost analysis of the existing HVAC systems as well as multiple alternate system options. Mr. Abrahamsen worked closely with REU to implement features of their successful Home Performance Program into the design.

Ben Abrahamsen, P.E., QCxP

Caltrans District 2 Lab Remodel

Mr. Abrahamsen provided design and construction administration services for the remodel of the District 2 Materials Lab located in Redding, CA. The project included new dust collection system, makeup air system, and custom exhaust hoods to improve the ventilation performance and workplace conditions.

Southern Aluminum Finishing Anodizing Plant

Mr. Abrahamsen provided design and construction administration services for the installation of chilled water, steam, plumbing, and process piping systems at a new anodizing plant in Redding, CA. Mr. Abrahamsen also provided commissioning services for the chilled water system. This project required close collaboration with the owner, the contractors, and the design team in order to meet the demanding schedule.

Shasta College Building 100 and 2000 HVAC Replacement

Mr. Abrahamsen performed HVAC design for the complete replacement of the HVAC systems for the administration building and the kitchen and cafeteria for Shasta College, located in Redding, CA. The purpose of the project was to replace all air handling equipment with efficient and maintenance-friendly equipment and systems. The project required careful design and coordination with the existing building systems.

Butte County Maintenance Facility Design

Mr. Abrahamsen performed HVAC and plumbing design for a new 10,000 square foot maintenance facility located in Chico, CA. The maintenance facility included office space, locker rooms, and maintenance garage. The design included mechanical systems for the maintenance of County vehicles, including vehicle exhaust systems, fluid dispensing systems, compressed air systems, radiant floor heating, and makeup air systems. Sustainable systems were developed to meet the requirements of LEED Silver.

Good News Rescue Mission Victory House

Mr. Abrahamsen performed HVAC and plumbing design for the remodel of an existing metal building for the Good News Rescue Mission, approximately 10,000 square feet. The project included a variable refrigerant flow (VRF) system to accommodate minimal space for outdoor equipment and a new commercial kitchen.

• Marquis Health Care Remodel

Mr. Abrahamsen performed HVAC and plumbing design for a project to replace HVAC equipment and upgrade HVAC systems to current codes for approximately 12,000 square feet of the Marquis Health Care facility located in Redding, CA. The project also included extensive remodel to the building interior finishes, which required modifications to the plumbing systems throughout the entire facility.

OTHER RESOURCES



Phone: 707-444-9659

Other Resources;

Other Trade Contractors are Listed as Low Bid on the attached Cost Breakdown

The listed Trade contractors are an instrumental aspect of the entire project team. Most are local Contractors with only outside firms that do a lot of work in our area. Their names, reputations and Experience speak to most all construction projects done in Humboldt County.

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KH MCKENNY INC

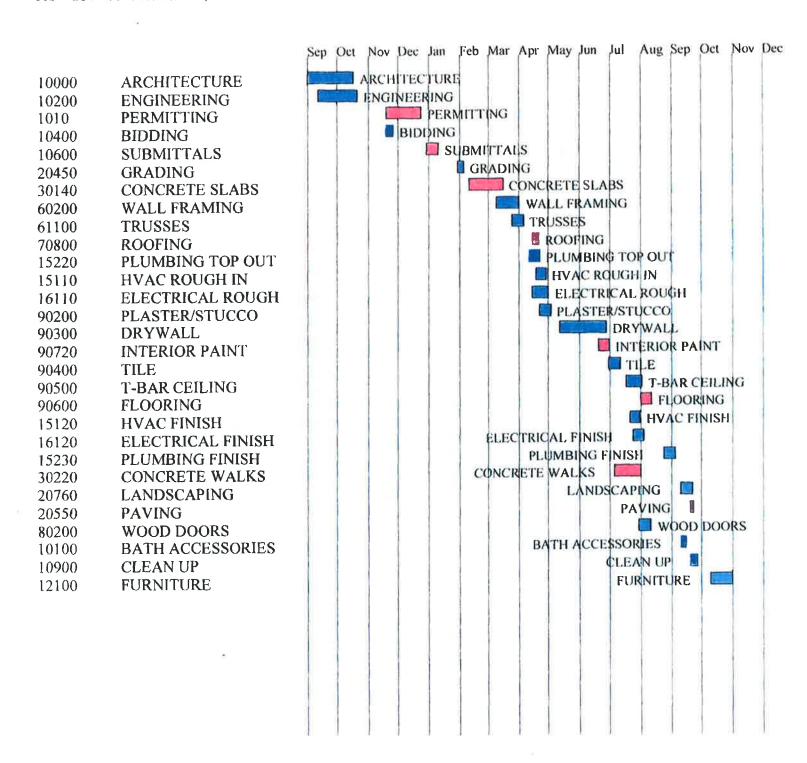
(Separate Reports)
204 1615 Heartwood

| Task# | Description | Duration | Туре | Fixed Date | Early Start | Early Finish | Float |
|-----------|-------------------------|----------|------|------------|-------------|--------------|-------|
| 0 None | | | | | | | |
| 10000.000 | ARCHITECTURE | 40 | 1 | 09/01/2016 | 09/01/2016 | 10/17/2016 | 326 |
| 10200.000 | ENGINEERING | 35 | 1 | 09/12/2016 | 09/12/2016 | 10/21/2016 | 322 |
| 1010.000 | PERMITTING | 30 | 4 | 11/20/2016 | 11/20/2016 | 12/24/2016 | 267 |
| 10400.000 | BIDDING | 6 | 1 | 11/20/2016 | 11/20/2016 | 11/26/2016 | 291 |
| 10600.000 | SUBMITTALS | 10 | 4 | 12/30/2016 | 12/30/2016 | 01/10/2017 | 253 |
| 20450.000 | GRADING | 6 | 1 | 01/30/2017 | 01/30/2017 | 02/04/2017 | 231 |
| 30140.000 | CONCRETE SLABS | 30 | 4 | 02/10/2017 | 02/10/2017 | 03/16/2017 | 197 |
| 60200.000 | WALL FRAMING | 20 | 1 | 03/10/2017 | 03/10/2017 | 04/01/2017 | 183 |
| 61100.000 | TRUSSES | 10 | 1 | 03/25/2017 | 03/25/2017 | 04/05/2017 | 180 |
| 70800.000 | ROOFING | 6 | 4 | 04/15/2017 | 04/15/2017 | 04/21/2017 | 166 |
| 15220.000 | PLUMBING TOP OUT | 10 | 1 | 04/12/2017 | 04/12/2017 | 04/22/2017 | 165 |
| 15110.000 | HVAC ROUGH IN | 10 | 1 | 04/18/2017 | 04/18/2017 | 04/28/2017 | 160 |
| 16110.000 | ELECTRICAL ROUGH | 14 | 1 | 04/15/2017 | 04/15/2017 | 05/01/2017 | 158 |
| 90200.000 | PLASTER/STUCCO | 10 | 1 | 04/22/2017 | 04/22/2017 | 05/03/2017 | 156 |
| 90300.000 | DRYWALL | 40 | 1 | 05/12/2017 | 05/12/2017 | 06/27/2017 | 109 |
| 90720.000 | INTERIOR PAINT | 10 | 4 | 06/20/2017 | 06/20/2017 | 06/30/2017 | 106 |
| 90400.000 | TILE | 10 | 1 | 06/30/2017 | 06/30/2017 | 07/11/2017 | 97 |
| 90500.000 | T-BAR CEILING | 14 | 1 | 07/18/2017 | 07/18/2017 | 08/02/2017 | 78 |
| 90600.000 | FLOORING | 10 | 4 | 08/01/2017 | 08/01/2017 | 08/11/2017 | 70 |
| 15120.000 | HVAC FINISH | 8 | 1 | 07/22/2017 | 07/22/2017 | 07/31/2017 | 80 |
| 16120.000 | ELECTRICAL FINISH | 10 | 1 | 07/24/2017 | 07/24/2017 | 08/03/2017 | 77 |
| 15230.000 | PLUMBING FINISH | 10 | 1 | 08/24/2017 | 08/24/2017 | 09/04/2017 | 50 |
| 30220.000 | CONCRETE WALKS | 22 | 4 | 07/06/2017 | 07/06/2017 | 07/31/2017 | 80 |
| 20760.000 | LANDSCAPING | 10 | 1 | 09/10/2017 | 09/10/2017 | 09/21/2017 | 35 |
| 20550.000 | PAVING | 3 | 1 | 09/20/2017 | 09/20/2017 | 09/22/2017 | 34 |
| 80200.000 | WOOD DOORS | 10 | 1 | 07/30/2017 | 07/30/2017 | 08/10/2017 | 71 |
| 10100.000 | BATH ACCESSORIES | 4 | 1 | 09/10/2017 | 09/10/2017 | 09/14/2017 | 41 |
| 10900.000 | CLEAN UP | 6 | 1 | 09/20/2017 | 09/20/2017 | 09/26/2017 | 31 |
| 12100.000 | FURNITURE | 20 | 1 | 10/10/2017 | 10/10/2017 | 11/01/2017 | |

KH MCKENNY INC

Gantt Chart

Job = 204 - 1615 Heartwood, Phase = 0 - None



COST PROPOSAL



P.O. Box 115 Cutten, CA. 95534 kevin@khmckenny.com Phone: 707-444-9659

Cost proposal for DHHS office building 1615 Heartwood Dr

The Cost for the proposed building is detailed on the attached pages with the entire cost breakdown and low bid Trade contractors Listed.

Monthly Lease rate for the first year of a Ten Year Lease is \$2.16 per square foot per month

CPI adjustments are to be made based on the All Urban Consumer base yr 1982 =100 US Dept of Labor with a min increase of 2.25% and a max increase of 4.25%

See cost to provide services attached for the rate charged.

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KH Mckenny Inc 7/7/2016

Cost Breakdown Trade contractor list

Job# 204 to 204

| JOD# 204 to 204 | | | | |
|--------------------|-------------------------------|------------|-----------------|------------|
| Cost Code | | COST | CONTRACTOR | Total |
| 204 1615 Heartwood | | | | |
| 1000.000 | SUPERVISION | 12,000.00 | KHMcKENNY | 12,000.00 |
| 1002.000 | WATER/SEWER | 6,000.00 | MCSD | 6,000.00 |
| 1003.000 | PG&E COST | 8,400.00 | PG&E | 8,400.00 |
| 1005.000 | PLANS | 1,000.00 | CLEEK CO | 1,000.00 |
| 1011.000 | SURVEYING | 1,200.00 | O HERN | 1,200.00 |
| 1012.000 | GENERAL CONDITIONS | 11,000.00 | TRAVELERS RISK | 11,000.00 |
| 1070.000 | ENVIRONMENTAL WORK | 4,000.00 | KHMcKENNY | 4,000.00 |
| 1071.000 | BUILDING PERMIT | 29,200.00 | HUM COUNTY | 29,200.00 |
| 1281.000 | SITE CIVIL | 5,000.00 | KHMcKENNY | 5,000.00 |
| 1282.000 | ELECTRICAL ENGINEERING | 15,000.00 | PACE ENG | 15,000.00 |
| 1283.000 | HVAC ENGINEERING | 30,000.00 | FRONTIER | 30,000.00 |
| 1284.000 | STRUCTURAL ENGINEERING | 10,000.00 | KHMcKENNY | 10,000.00 |
| 1411.000 | ARCHITECTURE FEES | 37,500.00 | THOMAS BOND | 37,500.00 |
| 1444.000 | SOIL & TESTING | 2,800.00 | SEE ENGINEERS | 2,800.00 |
| 1530.000 | TEMP.FENCING | 3,000.00 | JOHNSONS MOBILE | 3,000.00 |
| 1540.000 | TEMP.POWER | 2,000.00 | PG&E | 2,000.00 |
| 1541.000 | TEMP. WATER | 800.00 | MCSD | 800.00 |
| 1542.000 | TEMP.SANITARY | 1,000.00 | B&B | 1,000.00 |
| 1543.000 | FIRE EXTINGUISHERS | 1,200.00 | EUREKA OXYGEN | 1,200.00 |
| 1710.000 | CLEAN-UP | 15,000.00 | KHMcKENNY | 15,000.00 |
| 1998.000 | BUILDER FEE | 185,000.00 | KHMcKENNY | 185,000.00 |
| 1999.000 | CONTINGENCIES | 30,000.00 | KHMcKENNY | 30,000.00 |
| 1013.000 | BONDING | 45,000.00 | NATIONWIDE | 45,000.00 |
| 2100.000 | EROSION CONTROL | 1,500.00 | KHMcKENNY | 1,500.00 |
| 2200.000 | BACKFILL | 3,500.00 | KHMcKENNY | 3,500.00 |
| 2210.000 | GRADING | 4,000.00 | KHMcKENNY | 4,000.00 |
| 2225.000 | PG&E TRENCHING | 7,800.00 | KHMcKENNY | 7,800.00 |
| 2230.000 | BASE & PAVE | 21,600.00 | KHMcKENNY | 21,600.00 |
| 1015.000 | PLACEHOLDER | | | |
| 2515.000 | BUILDING SIDEWALK | | KHMcKENNY | 16,000.00 |
| 2516.000 | PARKING LOT CURBC | 14,000.00 | KHMcKENNY | 14,000.00 |
| 1015.000 | PLACEHOLDER | | | |
| 2518.000 | MAIN ENTRY DECO PAVERS | 2,000.00 | CARPET EXPRESS | 2,000.00 |
| 25 19.000 . | TOP SOIL PLACEMENT ALLOW | 2,900.00 | KHMcKENNY | 2,900.00 |
| 1015.000 | PLACEHOLDER | | | |
| 2524.000 | HANDICAP RAMPS | | KHMcKENNY | 1,700.00 |
| 2650.000 | DEMOLITION | · | KHMcKENNY | 5,530.00 |
| 2710.000 | DRAINAGE | | KHMcKENNY | 7,700.00 |
| 2715.000 | SEWER CONSTRUCTION | - | KHMcKENNY | 8,100.00 |
| 2910.000 | LANDSCAPE | 28,500.00 | HOOVEN LANDSC | 28,500.00 |

| 9100.000 9200.000 9300.000 9600.000 10100.000 15210.000 | DRYWALL PLASTER TILE FLOOR ACCESSORIES PLUMBING HVAC | 125,000.00 JOHN KRUGER 68,700.00 FC BICKERT 29,000.00 CRAIG BINGHAM 63,600.00 CARPET EXPRESS 18,000.00 KHMcKENNY 61,220.00 CRUZ PLUMBING 146,000.00 O&M | 125,000.00 68,700.00 29,000.00 63,600.00 18,000.00 61,220.00 146,000.00 |
|------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| 9200.000 9300.000 9600.000 10100.000 15210.000 | PLASTER TILE FLOOR ACCESSORIES PLUMBING | 68,700.00 FC BICKERT 29,000.00 CRAIG BINGHAM 63,600.00 CARPET EXPRESS 18,000.00 KHMcKENNY 61,220.00 CRUZ PLUMBING | 68,700.00 29,000.00 63,600.00 18,000.00 61,220.00 |
| 9200.000 | PLASTER | 68,700.00 FC BICKERT | 68,700.00 |
| 9300.000 | TILE | 29,000.00 CRAIG BINGHAM | 29,000.00 |
| | | • | • |
| 9001.000 | PAINTING | 50,920.00 NORTH PAINTING | 50,920.00 |
| 1015,000 8200.000 8205.000 | PLACEHOLDER WINDOWS SKYLIGHTS | 12,400.00 SCHMIDBAUER 1,500.00 SCHMIDBAUER | 12,400.00 1,500.00 |
| 7900.000 | CAULK | 1,000.00 KHMcKENNY | 1,000.00 |
| 8100.000 | DOORS | 38,500.00 BELL HARDWARE | 38,500.00 |
| 8130.000 | STOREFRONT DOOR | 21,350.00 EUREKA GLASS | 21,350.00 |
| 7300.000 | ROOF | 44,000.00 T&T ROOFING | 44,000.00 |
| 7600.000 | SHEETMETAL | 8,000.00 O&M | 8,000.00 |
| 6205.000 | FINISH CARPENTRY LABOR CASEWORK COUNTERTOPS INSULATION | 24,000.00 KHMcKENNY | 24,000.00 |
| 6400.000 | | 29,000.00 JR STEVENS | 29,000.00 |
| 6405.000 | | 5,500.00 JR STEVENS | 5,500.00 |
| 7200.000 | | 25,000.00 DC INSULATION | 25,000.00 |
| 6050.000 | TRUSSES ROUGH MATERIAL LABOR TO FRAME FINISH CARPENTRY MATERIA | 33,800.00 CRESCENT TRUSS | 33,800.00 |
| 6100.000 | | 63,000.00 SCHMIDBAUER | 63,000.00 |
| 6105.000 | | 88,100.00 KHMcKENNY | 88,100.00 |
| 6200.000 | | 11,500.00 SCHMIDBAUER | 11,500.00 |
| 3485.000 | STAIRWAY MASONRY DIV 5 METAL WORK | 2,200.00 O&M | 2,200.00 |
| 4100.000 | | 8,000.00 NJM CONST | 8,000.00 |
| 5100.000 | | 1,000.00 O&M | 1,000.00 |
| 3000.000 | FENCING | 5,500.00 KHMcKENNY | 5,500.00 |
| | SLAB | 145,000.00 KHMcKENNY | 145,000.00 |

Financial Analysis on Rental Rate

| | | | | | Financial : | Analysis on Re | ntal Rate | |
|-----------|---------|---------------|-----------|---------|-------------|----------------|------------------|----------|
| LAND COST | | 2 | 770000 | | | | | |
| | DESIGN | | 106500 | | | | | |
| | LEGAL | | 3500 | | | | | |
| | FINANCE | | 26500 | | | | | |
| | FINANCE | | 26300 | | | | | |
| HARD COST | | | | | | | | |
| | CONSTRU | CTION | | | | 7 | | |
| | | DIV 1 | 349600 | | | | | |
| | | DIV 2 | 130330 | | | | | |
| | | DIV 3 | 147200 | | | | | |
| | | DIV4 | 8000 | | | | | |
| | | DIV 5 | 1000 | | | | | |
| | | DIV 6 | 254900 | | | | | |
| | | DIV 7 | 78000 | | | | | |
| | | DIV 8 | 73750 | | | | | |
| | | DIV 9 | 402820 | | | | | |
| | | DIV 10 | 81960 | | | | | |
| | | DIV 11 | | | | | | |
| | | DIV 12 | | | | | | |
| | | DIV 13 | | | | | | |
| | | DIV 14 | | | | | | |
| | | DIV 15 | 225320 | | | | | |
| | | DIV 16 | 240620 | | | | | |
| | | sub total | 1993500 | | | | | |
| | | Total | 2900000 | | | | | |
| | | | LAND | 770000 | | | | |
| | | | SOFT COST | 130000 | | | | |
| | | | CASH IN | 200000 | | | | |
| | | | LOAN | 1800000 | | RENT | | |
| | | | TOTAL | 2900000 | BLDG | \$1.56sf | 256,732 cap8.85% | |
| | | | | | PROP TAX | | 32400 | |
| | | | | | JANITOR | | 41800 | |
| | | | | | MAINT | | 4800 | |
| | | | | | LANDSC | | 4800 | |
| | | | | | INSURE | | 2000 | |
| | | | | | SUPPLIES | | 3764 allowance | |
| | | | | | TOTAL | | 346296 | 28858/mo |
| | | | | | | \$2.16/sf/mo | \$28858.00/mo | ,,,,, |
| | | | | | | ,,, | · | |

The proposed rental rate is \$2.16/sf/mo per above costs

Financial Analysis on Rental Rate

| | | | | Financial . | Analysis on Re | ental Rate | |
|------------|-----------|-----------|----------------|-------------------|----------------|------------------|----------|
| LAND COST | | 770000 | | | | | |
| SOFT COSTS | | | | | | | |
| DESIGN | | 106500 | | | | | |
| LEGAL | | 3500 | | | | | |
| FINANCE | | 26500 | | | | | |
| | | | | | | | |
| HARD COSTS | | | | | | | |
| CONSTRU | JCTION | | | | | | |
| | | | | | | | |
| | DIV 1 | 349600 | | | | | |
| | DIV 2 | 130330 | | | | | |
| | DIV 3 | 147200 | | | | | |
| | DIV4 | 8000 | | | | | |
| | DIV 5 | 1000 | | | | | |
| | DIV 6 | 254900 | | | | | |
| | DIV 7 | 78000 | | | | | |
| | DIV 8 | 73750 | | | | | |
| | DIV 9 | 402820 | | | | | |
| | DIV 10 | 81960 | | | | | |
| | DIV 10 | 81300 | | | | | |
| | DIV 12 | | | | | | |
| | DIV 12 | | | | | | |
| | DIV 13 | | | | | | |
| | DIV 15 | 225320 | | | | | |
| | DIV 16 | 240620 | | | | | |
| | sub total | 1993500 | | | | | |
| | Sub total | 1993300 | | | | | |
| | Total | 2900000 | | | | | |
| | 10141 | 2300000 | | | | | |
| | | LAND | 770000 | | | | |
| | | SOFT COST | 130000 | | | | |
| | | CASH IN | 200000 | | | | |
| | | LOAN | 1800000 | | RENT | | |
| | | TOTAL | 2900000 | BLDG | \$1.56sf | 256,732 cap8.85% | |
| | | | | PROP TAX | | 32400 | |
| | | | | JANITOR | | 41800 | |
| | | | | MAINT | | 4800 | |
| | | | | LANDSC | | 4800 | |
| | | | | INSURE | | 2000 | |
| | | | | SUPPLIES | | 3764 allowance | |
| | | | | TOTAL | | 346296 | 28858/mo |
| | | | | | \$2.16/sf/mo | \$28858.00/mo | |
| | | Т | he proposed re | ental rate is \$2 | | - | |
| | | | | • | | | |

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P.O. Box 115 Cutten, CA. 95534 kevin@khmckenny.com Phone: 707-444-9659

References;

Proposed DHHS Building at 1615 Heartwood Dr. McKinleyville.

KH Mckenny Inc is the Proposed Building contractor.

TBA Architects is the proposed Architect

See Engineering is the proposed soil Engineer

Frontier is the proposed Mechanical Engineer

Pace Engineering is the proposed Electrical Engineer

Kevin Mckenny is the proposed Civil/Structural engineer

Redwood Capital Bank is the Financing Institution

Lic 774830 A&B

Lic C 26209

Lic C 41457

Lic M 35923

Lic E 12726

Lic E 12726

Lic C 45971

Similar Projects include:

Customer Truck Shop RMI building Hertz Rental car Building St Joseph Heritage Healthcare Gospel Outreach Church St Joseph Hospital Outpatient Imaging Center

References:

| Dan Comer | RMI (Redwood Marine Inc) | (707) 443-7029 |
|------------------|-------------------------------|----------------|
| Rob Mclaughlin | ERM (Customer Truck Service) | (707) 822-1795 |
| David Sczepanski | Gospel Outreach Church | (707) 445-2214 |
| Tom Mulder | St Joseph Heritage Healthcare | (707) 269-0644 |
| Dan Harper | Harper Family Motors | (707) 443-4871 |

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BUSINESS STRUCTURE OF PROPOSER

P.O. Box 115 Cutten, CA. 95534 kevin@khmckenny.com Phone: 707-444-9659

Business Structure; Financing, ownership, Insurance& signature of Proposer

Proposed building 1615 Heartwood Dr Mckinleyville (DHHS RFP)

Business structure of proposer:

Owner Lessor Kevin Mckenny Sole Proprietor

Financing:

The project is to be financed by Redwood capital Bank (letter attached)Kevin Mckenny owns the property free and clear.(value \$770,000.00) He will put another \$330,000.00 in to get the loan to \$1,800,000.00 the money is accounted for.

Proof of Ownership:

See deed attached

Insurance:

See attached insurance docs

Monthly Rental Rate for the First Year of the 10 yr lease \$2.16/sf/mo

Signed

Kevin Mckenny

Cutten Ca 95534

05/23/16

PO Box 115

7/3/5



July 8, 2016

Kevin McKenny 1531 Claire Court Eureka, CA 95503

Dear Kevin:

Thank you for inquiring with Redwood Capital Bank regarding a loan to construct an office building for lease to the County of Humboldt.

This letter represents our expression of interest for the proposed loan, and is not a commitment, loan approval, nor is it intended to be inclusive of all terms and conditions. This proposal contains confidential information and is intended for your use only.

Loan #1 Construction:

Borrower:

Kevin McKenny

Amount & Purpose:

\$1,800,000.00 (75% of appraised value) to construct an office building for lease

to the Humboldt County Department of Health & Human Services.

Collateral:

1st Deed of Trust & Assignment of Rents on property located on 1615 Heartwood

Drive, McKinleyville, CA 95519

Interest Rate:

Redwood Capital Bank's Reference Rate (RR) plus a margin of 1.0% (currently 5.00%), fully variable and adjusted on a daily basis upon any changes in the

noted index.

Repayment Terms:

12-months of interest only payments with principal due at maturity

Prepayment Penalty:

5% exit fee on the balance of the loan if take-out financing is provided by

another lender.

Loan Costs:

Loan Fee of \$9,000.00 (.50% of the loan amount)

All other associated third party costs including appraisal, title, environmental

report, etc.

Loan #2 Take Out:

Borrower: Kevin McKenny

Amount & Purpose: \$1,800,000.00 for the take-out of Loan #1

Collateral: 1st Deed of Trust & Assignment of Rents on property located on 1615 Heartwood

Drive, McKinleyville, CA 95519

Interest Rate: Start rate will be based on the 5-year T-Bill index in effect at the time loan

documents are prepared (currently 1.38%) plus a margin of 2.62% (currently equivalent to 4.00%). Thereafter, the interest rate will adjust every 5-years to the

5-year T-Bill index plus a fixed margin of 2.62%.

Term: 20 years

Repayment Terms: Monthly principal & interest payments

Prepayment Penalty: 5 years starting at 5% declining 1% per year with 20% allowable principal

reduction annually without the prepayment penalty going into effect.

Loan Costs: Doc Fee of \$250

All other associated third party costs

Conditions:

- Formal approval from Redwood Capital Bank.
- Evidence of hazard and liability insurance.
- Acceptable appraisal on the subject property
- Maximum loan-to-value of 75% of the appraised value
- Maximum 75% loan-to-cost
- Maintain a Debt Coverage Ratio of 1.25:1
- Satisfactory review of environmental report.
- Satisfactory review of lease; lease term, including options, to match loan term.
- Subject to flood insurance if the property is located in an identified flood hazard zone.
- All taxes, as owed, shall be paid prior to or at the time the loan is made.
- Submission of annual updated financial information and tax returns.
- All necessary and required governmental approvals (plans, permits, etc.)

The information provided herein is for informational purposes only and is not to be construed as a final approval commitment by Redwood Capital Bank. Loan approval would be conditioned upon a satisfactory review of all information provided such as the appraisal, financial information, environmental reports, etc.

Thank you for allowing Redwood Capital Bank the opportunity to consider and issue this expression of interest letter for your financing needs. We look forward to working with you and if you have any questions, please call me direct at 444-9825.

Sincerely,

Jennifer Budwig

SVP / Chief Lending Officer Redwood Capital Bank THIS PAGE LEFT INTENTIONALLY BLANK

RECORDING REQUESTED BY **Humboldt Land Title Company** WHEN RECORDED RETURN TO AND MAIL TAX STATEMENTS TO:

Address

Kevin McKenny

P.O. Box 115 Cutten, CA 95534

Order No. 00155858-001-RB/ah

2016-001800-2

Recorded - Official Records Humboldt County, California Kelly E. Sanders, Recorder Recorded by: HLTCO Rec Fee: \$16,00

Survey Mon Fee: \$10,00

Doc 1rf Tax: \$858.00 Clerk: I.H Total: \$884.00 Jan 22, 2016 at 13:16:42

| | DA | MIT | . D | | n |
|---|----|-----|-----|--|---|
| U | | 1 | | | u |

| THE UNDERSIGNED GRANTOR(s) DECLARE(s) | Documentary Transfer Tax is \$868,00 |
|----------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Øily≫kunincorporated area Parcel No. 508-251-052 | ☐ computed on full value of interest or property conveyed, or ☐ full value less value of liens or encumbrances remaining at the time of sale |
| FOR A VALUABLE CONSIDERATION, receipt o | f which is hereby acknowledged, |
| Hendricks Rentals, LLC, a California Limited I | Liability Company |
| hereby GRANT(s) to | |
| Kevin McKenny, an unmarried man | |
| the following real property in the unincorporated a | area of the County of Humboldt, State of California: |
| See Exhibit A attached hereto and made a part | t hereof. |
| Dated: January 20, 2016 | |
| Nondricke Bentale III C a California Limited | |
| Hendricks Rentals, LLC, a California Limited Liability Company | |
| 1 1/10 | 1 |
| By: Lem Handhad | |
| Dennis Hendricks, Manager | |
| | |
| A notary public or other officer completing this certificate which this certificate is attached, and not the truthfulness. | e verifies only the identity of the individual who signed the document to s, accuracy, or validity of that document. |
| State of California | |
| County of Humboldt | V @ 1 VI |
| On 21 16 before me, | J. Bubenik a Notary Public, |
| personally appeared Dennis Hendricks | |
| | be the person(s)whose name(s) is/are subscribed to the within instrument and in his/her/their authorized capacity(ies) and that by his/her/their signature(s)on the |
| instrument the person(s), or the entity upon behalf of which the | ne person(s) acted, executed the instrument. |
| I certify under PENALTY OF PERJURY under the laws of the | State of California that the foregoing paragraph is true and correct. |
| WITNESS my hand and official seal. | |
| Muhail | *************************************** |
| Signature Buberul | J. BUBENIK |
| | COMM, #2072034 NOTARY PUBLIC - CALIFORNIA |
| My commission expires: | My Comm Expires July 18, 2018 |
| | January |
| T T | |

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EVIDENCE OF PROPERTY INSURANCE

0.7/12/2016

| COVERAGE AFFORDED BY THE F | INSURANCE IS ISSUED AS A MAT BELOW. THIS EVIDENCE DOES NO POLICIES BELOW. THIS EVIDENCE TO REPRESENTATIVE OR PRODUCE | T AFFIRMATIVELY OR OF INSURANCE DOES | NEGATIVELY AMI | END. EXTEND OR ALTER THE |
|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | _{kt):} 707-822-7251 | COMPANY | 100000000000000000000000000000000000000 | The state of the s |
| Anderson Robinson Starkey | W | Ohio Security Insul | rance Co | |
| nsurance Agency Inc. | | | | |
| O Box 1105 | | ł. | | 5 J |
| ∖rcata, CA 95518-1105 | | ľ | | |
| AX No):707-826-9021 E-MAIL ADDRESS: | | | | |
| ODE: | SUB CODE: | | | |
| GENCY USTOMER ID #: MCKEN-5 | | ** | | |
| NSURED | | LOAN NUMBER | | POLICY NUMBER |
| NOONES | | | | TO BE DETERMINED |
| Kevin H. McKenny | | EFFECTIVE DATE | EXPIRATION DATE | CONTINUED UNTIL |
| **SAMPLE ONLY**** | | | | TERMINATED IF CHECKED |
| P.O. Box 115 | | THIS REPLACES PRIOR EVI | DENCE DATED: | |
| Cutten, CA 95534-011 | 5 | | | 1 |
| | <u> </u> | | | |
| PROPERTY INFORMATION LOCATION/DESCRIPTION | | | | |
| 615 Heartwood | | | | I |
| | | | | |
| /IcKinleyville, CA 95519 | | | | |
| | | | | |
| | | | | |
| | | | | |
| THE BOLICIES OF INSURANCE LIE | TED BELOW HAVE BEEN ISSUED | THE INCHES NAME | ED AROVE FOR TH | HE POLICY PERIOD INDICATED |
| NOTALITHET AND INSURANCE EIS | MENT, TERM OR CONDITION OF A | NY CONTRACT OR OT | HEB DOUBLENT I | WITH RESPECT TO WHICH THIS |
| EVIDENCE DE PROPERTY INISTRAN | ICE MAY BE ISSUED OR MAY PERTA | IN THE INSURANCE A | FEORDED BY THE | POLICIES DESCRIBED HEREIN IS |
| SUBJECT TO ALL THE TERMS EXCL | USIONS AND CONDITIONS OF SUCH | POLICIES LIMITS SHO | WNIMAY HAVE BEEL | V REDUCED BY PAID CLAIMS. |
| | | | | |
| COVERAGE NFORMATION | | | <u> </u> | |
| | COVERAGE I HERILS FORMS | | AMC | DUIT OF INSURANCE DEDUCTIBLE |
| | | | | \$5,000 |
| BUILDING | | | | \$2,000,962 |
| Special Form, Replacement Cost Valuati | ion | | | Included |
| ORDINANCE OR LAW | | | | |
| Loss to Undamaged Property / | | | | Included |
| Demolition Cost & Thereased Cost of Co | onst. | | | \$250,000 |
| DEBRIS REMOVAL BUSINESS INCOME WITH EXTRA EXPE | NSE \ | | | \$10,000 24 Hour |
| -12 Consecutive Months-Actual Loss Su | stained \ \ \ | | | 1 100 |
| EXTENDED BUSINESS INCOME / | | | | 1 1 |
| -30 Consecutive Days | | | | |
| | $f \rightarrow f \rightarrow$ | | | 1 |
| | | | | |
| REMARKS (Including Special Cond | ditions) | | | |
| KEMARKS (including opecial cont | J. Holley | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| *30 days cancellation notice, exc | ept 10 for non payment. | | | |
| CANCELLATION | | | | |
| | DED - DOLLARE - DE - ALVAS | ULED DESCRIPTION | 2001D471011 D470 | TIPEDEAD MATICAL MAIL CO. |
| DELIVERED IN ACCORDANCE WI | DESCRIBED POLICIES BE CANCE TH THE POLICY PROVISIONS. | LLED BEFORE THE | EXPIRATION DATE | HEREOF, NOTICE WILL BE |
| ADDITIONAL INTEREST | | | 7 | |
| NAME AND ADDRESS | | | | |
| RAING AND ADDRESS | | MORTGAGEE | ADDITIONAL INSU | RED |
| | | X LOSS PAYEE | | |
| | | LOAN# | | |
| County of Humbolo | dt | | | |
| Dept of Public Wor | | AUTHORIZED REPRESENTA | TIVE | |
| 1106 Second Street | | | | |
| | - | Josha Marti | Mr. Propolinde | |
| Eureka, CA 95501 | | want . would be comed of | | |

OPID: 18

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 07/12/2016

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(les) 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).

RODUCER IA/C. No. Extl: 707-822-7251 .nderson Robinson Starkey FAX (A/C, No): 707-826-9021 isurance Agency Inc. O Box 1105 ADDRESS: rcata, CA 95518-1105 INSURER(S) AFFORDING COVERAGE NAIC # INSURER A: Ohio Security Insurance Co VSURED Kevin H. McKenny INSURER B P.O. Box 115 INSURER C: Cutten, CA 95534-0115 INSURER D : INSURER E

INSURER F :

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, TR ADDL SUBR TYPE OF INSURANCE LIMITS POLICY NUMBER INSD WVD Х COMMERCIAL GENERAL LIABILITY 2,000,000 **EACH OCCURRENCE** DAMAGE TO RENTED PREMISES (Ea occurrence) TO BE DETERMINED CLAIMS-MADE X OCCUR 2,000,000 X MED EXP (Any one person) \$ PERSONAL & ADV INJURY 5

15,000 Included 4.000.000 GEN'I. AGGREGATE LIMIT APPLIES PER: GENERAL AGBREGATE 4,000,000 100 PRODUCTS - COMP/OF AGG POLIC COMBINED SINGLE LIMIT (Ea accident) AUTOMOBILE LIABILITY \$ BODILY INJUITY (Per person) ANY AUTO ALL OWNED CHEDULED BODILY INJURY (Per accident) AUTOS NON-OWNED AUTOS PROPERTY DAMAGE \$ HIRED AUTOS (Per accident) UMBRELLALIAB EACH OCCURRENCE \$ **OCCUR** EXCHSS LIA LAMS-MADE AGGREGATE \$ RETENTION S DED WORKERS COMPENSATION AND EMPLOYERS LIABILITY STATUT ANY PROPRIATOR/PARTNER/EXYCUTIVE OFFICER/MEMBER EXCLUDEDY (Mandatory in NH) E.L. EACH ACCIDENT NII EL DISFASE EA EMPLOYEE If yes, describe und E.L. DISEASE - POLICY LIMIT DESCRIPTION OF OPERATIONS below

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

Re: 1615 Heartwood McKinleyville, CA 95521

County of Humboldt, it's officers, employees and agents are named as additional insured including Primary wording per attached endorsement BP7996 1713. *30 days notice of cancel, except 10 for non payment

| CERTIFICATE HOLDER | CANCELLATION |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| County of Humboldt Dept of Public Works | SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. |
| ***SAMPLE CERT*** 1106 Second Street Eureka, CA 95501 | JOSH a Martins-Bowling |

I. SUPPLEMENTARY PAYMENTS

Paragraph f.(1)(b) of A Coverages is replaced by the following:

(b) Up to \$3000 for cost of bail bond required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for "bodily injury" applies. We do not have to furnish the bonds.

Paragraph 1.f.(1)(d) of A Coverages 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.

II. BROADENED COVERAGE FOR DAMAGE TO PREMISES RENTED TO YOU

With respect to the coverage provided under this endorsement, Section II - Liability is amended as follows:

1. The final paragraph of **B.1**. Exclusions – Applicable To Business Liability Coverage is deleted and replaced by the following:

With respect to the premises which are rented to you or temporarily occupied by you with the permission of the owner, Exclusions c., d., e., g., h., k., l., m., n. and o. do not apply to "property damage".

2. Paragraph D.2. Liability And Medical Expenses Limits Of Insurance is deleted and replaced by the following:

The most we will pay under this endorsement for the sum of all damages because of all "property damage" to premises while rented to you or temporarily occupied by you with the permission of the owner is the Limit of Insurance shown in the Declaration.

Paragraph D.3. Llability And Medical Expenses Limits Of Insurance is deleted.

III. INCIDENTAL MEDICAL MALPRACTICE

Exclusion 1.j.(4) does not apply to Incidental Medical Malpractice Injury coverage.

The following is added to F. LIABILITY AND MEDICAL EXPENSES DEFINITIONS:

- 23. "Incidental Medical Malpractice Injury" means bodily injury arising out of the rendering of or failure to render, during the policy period, the following services:
 - **a.** medical, surgical, dental, x-ray or nursing service or treatment or the furnishing of food or beverages in connection therewith; or
 - **b.** the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances.

This coverage does not apply to:

- 1. expenses incurred by the insured for first-aid to others at the time of an accident and the **Duties** in the **Event of Occurrence, Claim or Suit** Condition is amended accordingly;
- **2.** any insured engaged in the business or occupation of providing any of the services described under **a**. and **b**. above;
- 3. injury caused by any indemnitee if such indemnitee is engaged in the business or occupation of providing any of the services described under a. and b. above.

IV. MOBILE EQUIPMENT

1. Section C. Who is An Insured is amended to include any person driving "mobile equipment" with your permission.

V. BLANKET ADDITIONAL INSURED (OWNERS, CONTRACTORS OR LESSORS)

- 1. Section C. Who Is An Insured is amended to include as an insured any person or organization whom you are required to name as an additional insured on this policy under a written contract or written agreement. The written contract or agreement must be:
 - a. currently in effect or becoming effective during the term of this policy; and
 - **b.** executed prior to the "bodily injury", "property damage", "personal and advertising injury".

- 2. The insurance provided the additional insured is limited as follows:
 - a. The person or organization is only an additional insured with respect to liability arising out of
 - (1) Real property, as described in a written contract or written agreement, you own, rent, lease, maintain or occupy;
 - (2) Caused in whole or in part by your ongoing operations performed for that insured.
 - b. The limits of insurance applicable to the additional insured are those specified in the written contract or written agreement or the limits available under this policy, as stated in the Declarations, whichever are less. These limits are inclusive of and not in addition to the limits of insurance available under this policy.
 - c. The insurance provided the additional insured does not apply to:
 - (1) Liability arising out of the sole negligence of the additional insured;
 - "Bodily injury", "property damage", "personal and advertising injury"; or defense coverage under the Supplementary Payments section of the policy arising out of an architect's, engineer's or surveyor's rendering of or failure to render any professional services including:
 - (a) The preparing, approving maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
 - (b) Supervisory, inspection, architectural or engineering activities.
 - (3) Any "occurrence" that takes place after you cease to be a tenant in the premises described in the Declarations; or
 - (4) Structural alterations, new construction or demolition operations performed by or for the person or organization designated in the Declarations.



3.

Any coverage provided hereunder shall be excess over any other valid and collectible insurance available to the additional insured whether primary, excess, contingent or on any other basis unless a contract specifically requires that this insurance be primary or you request that it apply on a primary basis.

VI. NEWLY FORMED OR ACQUIRED ORGANIZATIONS

The following is added to C. Who Is An Insured:

- 3. Any business entity acquired by you or incorporated or organized by you under the laws of any individual state of the United States of America over which you maintain majority ownership interest exceeding fifty percent. Such acquired or newly formed organization will qualify as a Named Insured if there is no similar insurance available to that entity. However,
 - a. Coverage under this provision is afforded only until the 180th day after the entity was acquired or incorporated or organized by you or the end of the policy period, whichever is earlier;
 - b. Coverages A. Paragraph 1. Business Liability, does not apply to:
 - (1) "Bodily injury" or "property damage" that occurred before the entity was acquired or incorporated or organized by you; and
 - (2) "Personal and advertising injury" arising out of an offense committed before the entity was acquired or incorporated or organized by you; and
 - c. 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.

VII. AGGREGATE LIMITS

The following is added to Aggregate Limits Paragraph 4. of D. Liability and Medical Expenses Limits of Insurance:

The Aggregate Limits apply separately to each of "locations" owned by or rented to you or temporarily occupied by you with the permission of the owner.

The Aggregate Limits also apply separately to each of your projects away from premises owned by or rented to you.

For the purpose of this endorsement only, "location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

CERTIFICATE OF LIABILITY INSURANCE

MCKEN-6

OP ID: TB

1,000,000

07/12/2016

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).

| RODUCER Inderson Robinson Starkey | | | CONTACT NAME: | TEAV | | |
|--------------------------------------|---------------------------------------|------------------------------|---------------------------------------------|--------------|--------------|--|
| nsurance O Box 1 | P O Box 1105 Arcata, CA 95518-1105 | | E-MAIL AODRESS: | | 707-826-9021 | |
| • | | | INSURER(S) AFFORDING GOVERAGE | | NAIC# | |
| | | | INSURER A: State Compensation Ins. Fund | | 35076 | |
| INSURED K.H. McKenny, Inc. | | | INSURER 8: | | | |
| | P.O.Box 115 Cutten, CA 95534 | | INSURER C: | | | |
| Cutten, CA 95534 | | | INSURER D: | | | |
| | | | INSURER E: | | | |
| | _ | | INSURER F: | | | |
| COVERA | GES CE | RTIFICATE NUMBER: | REVISION NU | MBER: | | |
| THIS IS | TO CERTIFY THAT THE POLICI | ES OF INSURANCE LISTED BELOV | W HAVE BEEN ISSUED TO THE INSURED NAMED ABO | VE FOR THE P | OLICY PERIO | |

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. POLICY EFF (MM/DD/YYYY) POLICY EXP ADDL SUBR LIMITS TYPE OF INSURANCE POLICY NUMBER COMMERCIAL GENERAL LIABILITY EACH OCCURRENCE DAMAGE TO RENTED \$ CLAIMS-MADE OCCUR PREMISES (Ea occurrence) MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$

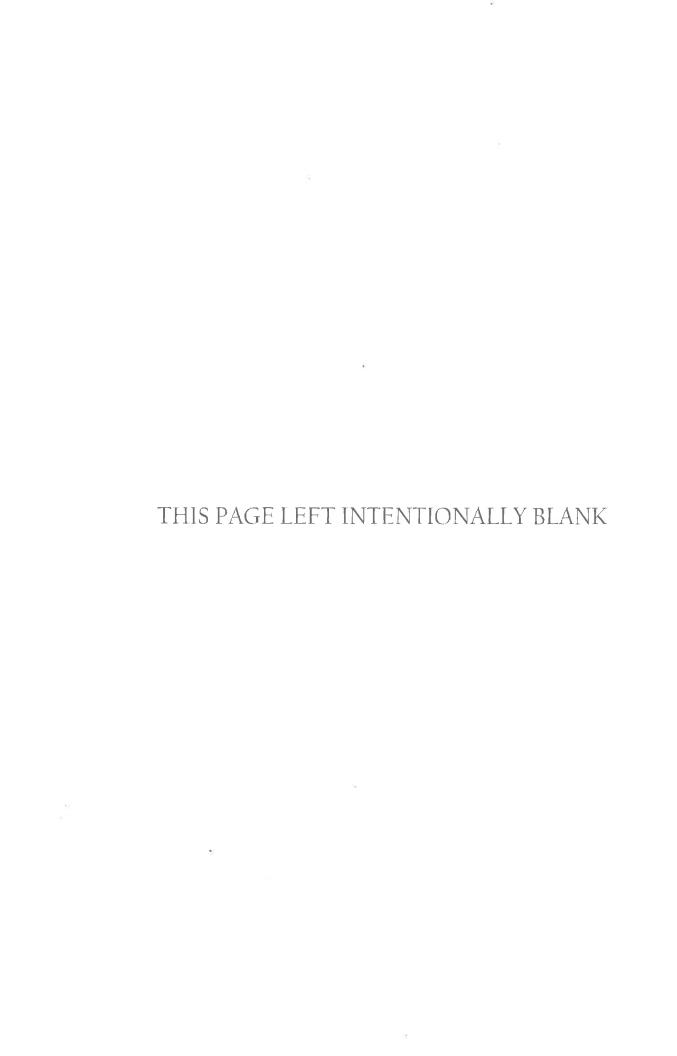
GENERAL AGGREGATE GEN'L AGGREGATE LIMIT APPLIES PER: PRO PRODUCTS COMP/OP AGG POL LOC \$ OTHER COMBINED SINGLE LIMIT AUTOMOBILE LIABILITY \$ BODILY INJURY (Per person) ANY AUTO ALL OWNED AUTOS CHEDULED BODILY INJURY (Per accident) 5 NON-OWNED PROPERTY LAMAGE AUTOS HIRED AUTOS (Per accident UMBRELLALIAB EACH OCCURRENCE \$ OCCUR EXCESS LIAB AGGREGATI MS-MADE RETENTIONS DED OTH-WORKERS COMPENSATION AND EMPLOYERS LIABILITY IN 10/01/2015 10/01/2016 1,000,000 ANY PROPRIETOR/PARTNER/E OFFICER/MENBER EXCLUDED (Mandatory in VH) X 143610 E.L EACH ACCIDENT \$ ECUTIVE 1,000,000 E.L. DISEASE EA EMPLOYEE 8

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

| CERTIFICATE HOLDER | | CANCELLATION |
|----------------------------------------------------------------------------------------------------|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| County of Humboldt Dept of Public Works **SAMPLE** 1106 Second Street Eureka, CA 95501 | COUNHU1 | 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 JOSHA MUTTINA-BOWING |

E.L. DISEASE - POLICY LIMIT \$

If yes, describe under



COMMERCIAL GENERAL LIABILITY PROPOSAL

LIABILITY LIMITS OF INSURANCE:

Liability \$1,000,000 Liability and Medical Expenses - Occurrence

Medical Expenses \$15,000 (Any One Person)

Broadened Coverage For Damage To Premises \$1,000,000

Rented To You

AGGREGATE LIMITS OF INSURANCE:

Products-Completed Operations \$2,000,000
Other Than Products-Completed Operations \$2,000,000

PROPERTY PROPOSAL

| OPTIONAL COVERAGE - POLICY LEVEL: | LIMIT OF INSURANCE: |
|------------------------------------------------|---------------------|
| EXTENSION ENDORSEMENT: | |
| Businessowners Extension Endorsement | See Endorsement |
| OTHER POLICY LEVEL OPTIONAL COVERAGES: | |
| Business Income Changes 24 Hour Waiting Period | Included |

LOCATION NUMBER:

ADDRESS: 1615 Heartwood Dr, Mckinleyville, CA 95519

CLASS DESCRIPTION: 82140 - Offices Lessors Risk Only - Without Restaurant

PROPERTY LIMITS OF INSURANCE:

| BUILDING: | \$2,000,962 | |
|---------------------|-------------|------------------------|
| Valuation | RC | Automatic Increase: 4% |
| Deductible | \$5,000 | |
| Equipment Breakdown | Included | |

| OPTIONAL COVERAGE - LOCATION LEVEL | LIMIT OF INSURANCE |
|----------------------------------------------------|--------------------|
| Accounts Receivable | \$ 35,000 |
| Employee Tools | \$ 25,000 |
| Fine Arts | \$ 10,000 |
| Ordinance Or Law | |
| Loss to undamaged property | Included |
| Demolition Cost and Increased Cost of Construction | \$ 250,000 |
| Outdoor Signs | \$ 25,000 |
| Valuable Papers and Records | \$ 25,000 |

BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM INCLUDES:

| ADDITIONAL COVERAGES - TIME ELEMENT: | LIMIT OF INSURANCE: |
|---------------------------------------------------------------|--------------------------------------------------------------------------|
| Business Income | 12 consecutive months - Actual Loss Sustained |
| Extended Business Income | 30 consecutive days |
| Business Income From Dependent Properties | \$5,000 |
| Extra Expense | 12 consecutive months |
| Civil Authority | 3 consecutive weeks |
| ADDITIONAL COVERAGES - OTHER THAN TIME ELEMENT: | |
| Debris Removal | \$10,000 |
| Preservation of Property | 30 days |
| Fire Department Service Charge | \$2,500 |
| Collapse | Included |
| Water Damage, Other Liquids, Powder or Molten Material Damage | Included |
| Pollutant Clean Up and Removal | \$10,000 annual aggregate |
| Money Orders and Counterfeit Paper | \$1,000 |
| Forgery or Alteration | \$2,500 |
| Increased Cost of Construction | \$10,000 |
| Glass Expenses | Included |
| Fire Extinguisher Systems Recharge Expense | \$5,000 |
| Electronic Data | \$10,000 |
| Interruption of Computer Operations | \$10,000 |
| Limited Coverage For "Fungi", Wet Rot, Dry Rot And Bacteria | \$15,000 |
| COVERAGE EXTENSIONS: | |
| Newly Acquired or Constructed Property | |
| Buildings | \$250,000 - 30 days |
| Business Personal Property | \$100,000 - 30 days |
| Personal Property Off Premises (Including While In Transit) | \$10,000 |
| Outdoor Property | \$2,500 (\$500 per tree, plant or shrub) |
| Personal Effects | \$2,500 at each described premises |
| Valuable Papers and Records(Other Than Accts Receivable) | \$10,000 at each described premises \$5,000 at premises not described |
| Accounts Receivable | \$10,000 at the described premises \$5,000 at premises not described |

BUSINESSOWNERS EXTENSION ENDORSEMENT INCLUDES:

*If limits are increased, the coverage and increased limit appear in the Optional Coverage section for the location where the coverage is increased (When Employee Dishonesty is increased, it appears in the Policy Level Optional Coverage section.

| Premium Charge | \$8.00 |
|----------------------------------|-------------------------------------------------------|
| Accounts Receivable | \$35,000 on/5,000 off |
| Amendment Loss Payment Provision | Removes coinsurance and property of others provisions |
| Amendment of Limitation | See Below |
| Fragile Articles Limitation | \$5,000 All Covered Causes of Loss |

BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM INCLUDES:

| ADDITIONAL COVERAGES - TIME ELEMENT: | LIMIT OF INSURANCE: |
|---------------------------------------------------------------|--------------------------------------------------------------------------|
| Business Income | 12 consecutive months - Actual Loss Sustained |
| Extended Business Income | 30 consecutive days |
| Business Income From Dependent Properties | \$5,000 |
| Extra Expense | 12 consecutive months |
| Civil Authority | 3 consecutive weeks |
| ADDITIONAL COVERAGES - OTHER THAN TIME ELEMENT: | |
| Debris Removal | \$10,000 |
| Preservation of Property | 30 days |
| Fire Department Service Charge | \$2,500 |
| Collapse | Included |
| Water Damage, Other Liquids, Powder or Molten Material Damage | Included |
| Pollutant Clean Up and Removal | \$10,000 annual aggregate |
| Money Orders and Counterfeit Paper | \$1,000 |
| Forgery or Alteration | \$2,500 |
| Increased Cost of Construction | \$10,000 |
| Glass Expenses | Included |
| Fire Extinguisher Systems Recharge Expense | \$5,000 |
| Electronic Data | \$10,000 |
| Interruption of Computer Operations | \$10,000 |
| Limited Coverage For "Fungi", Wet Rot, Dry Rot And Bacteria | \$15,000 |
| COVERAGE EXTENSIONS: | |
| Newly Acquired or Constructed Property | |
| Buildings | \$250,000 - 30 days |
| Business Personal Property | \$100,000 - 30 days |
| Personal Property Off Premises (Including While In Transit) | \$10,000 |
| Outdoor Property | \$2,500 (\$500 per tree, plant or shrub) |
| Personal Effects | \$2,500 at each described premises |
| Valuable Papers and Records(Other Than Accts Receivable) | \$10,000 at each described premises \$5,000 at premises not described |
| Accounts Receivable | \$10,000 at the described premises \$5,000 at premises not described |

BUSINESSOWNERS EXTENSION ENDORSEMENT INCLUDES:

*If limits are increased, the coverage and increased limit appear in the Optional Coverage section for the location where the coverage is increased (When Employee Dishonesty is increased, it appears in the Policy Level Optional Coverage section.

| Premium Charge | \$8.00 |
|----------------------------------|-------------------------------------------------------|
| Accounts Receivable | \$35,000 on/5,000 off |
| Amendment Loss Payment Provision | Removes coinsurance and property of others provisions |
| Amendment of Limitation | See Below |
| Fragile Articles Limitation | \$5,000 All Covered Causes of Loss |

| Brands and Labels | Included in Business Personal Property Limit |
|------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| Business Income From Dependent Property | \$50,000 or 30 Days Actual Loss Sustained |
| Business Income - Newly Acquired Locations | \$250,000 at each Newly Acquired Premises/60 day |
| Business Income-Ordinary Payroll Expense | Removes the 60 day limitation |
| Business Personal Property | Legal Liability requirement deleted, covered within 1,000 feet of premises |
| Business Personal Property - Seasonal Increase | 33% |
| Cellular Phones - Coverage | \$1,000 |
| Computer Equipment | \$25,000 |
| Consequential Loss to Stock | Included in Business Personal Property Limit |
| Debris Removal | \$25,000 |
| Deductible | See endorsement for Deductibles for specific coverages |
| Deductible - Cellular Phones | \$50 |
| Definitions | See Below |
| Fine Arts | Definition is added, see endorsement |
| Period of Restoration | The ending time is clarified, see endorsement |
| Electronic Data | \$25,000 |
| Employee Dishonesty | \$25,000 |
| Employee Tools | \$25,000 |
| ERISA | None |
| Fine Arts | \$10,000 |
| Fire Department Service Charge | \$15,000 |
| Fire Extinguisher Recharge Expense | \$15,000 |
| Forgery or Alteration | \$25,000 or follows Employee Dishonesty Limit |
| Glass | Includes damage to glass, encasing frames, lettering |
| Increased Cost of Construction | See Ordinance or Law Coverage |
| Leased Building Property | \$5,000 |
| Limits of Insurance | See Endorsement for Coverages that have limits in addition to the Limits of Insurance |
| Lock Replacement | Actual Loss Sustained |
| Loss Adjustment Expenses | \$5,000 |
| Money and Securities | \$10,000 on premises |
| Money and Securities | \$5,000 off premises |
| Money Orders and Counterfeit Money | \$10,000 |
| Newly Acquired or Constructed Property | See Below |
| Building | \$1,000,000 up to 180 days |
| Business Personal Property | \$500,000 up to 180 days |
| Off Premises Power Failure | \$25,000/24 hours |
| Ordinance or Law | Loss to the Undamaged Property - Included, \$150,000 Demolition Cost and Increased Cost of Construction |
| Outdoor Property | All covered causes of loss |
| Fences, Retaining Walls; Radio and TV Antennas | \$25,000 aggregate |
| Trees and Shrubs | \$1,000 each tree, shrub or plant |
| Outdoor Signs | \$25,000 Occurrence |
| Personal Effects | \$15,000 |
| Personal Property Off Premises | \$25,000 |
| Preservation of Property | 60 days |

Prepared for KEVIN H. MCKENNY | Quote: 57349074BZS1Q1

| Property Not Covered | Stained Glass |
|-----------------------------------------------|---------------------------------------|
| Reward | \$10,000 |
| Sales Samples | None |
| Undamaged Tenant Improvements and Betterments | See Below |
| Coverage | Covered as Business Personal Property |
| Loss Payment | Valuation, See Endorsement |
| Valuable Papers and Records | \$25,000 on/10,000 off |
| Water Back-up and Sump Overflow | \$25,000 |

LIABILITY EXTENSION ENDORSEMENT INCLUDES:

| COVERAGE DESCRIPTION: | REVISED LIMITS OF INSURANCE: |
|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Aggregate Limits | Aggregate limits apply separately to each location and each project. |
| Amendment of Insured Contract Definition | Includes anyone as an additional insured the named insured has a written contract for rental or lease of premises or whom the insured is doing work. |
| Bail Bonds | Supplementary Payments for cost of Bail Bonds are increased from \$1000 up to \$3,000. |
| Blanket Additional Insureds (Owners, Contractors or Lessors) | Includes persons or organizations agreed to by written contract, for liability arising from ongoing operations, or premises of the named insured. |
| Bodily Injury Redefined | Includes bodily injury, sickness, disease, or incidental medical malpractice injury, including death resulting from any of these at any time. |
| Broadened Coverage for Damage to Premises Rented to You | Extends coverage to the named insured for damage to rented or temporarily occupied premises. |
| Duties in the Event of occurrence, Offense, Claim or Suit | Provision only considered breached if known to insured or "employee" authorized by the insured, to give or receive notice of "occurrence" or "claim". |
| Incidental Medical Malpractice | Included |
| Loss of Earnings | Supplementary Payments for actual loss of earnings are included up to \$500, increased from \$250 per day, because of time off from work. |
| Mobile Equipment | Who Is An Insured includes any person driving "mobile equipment" with the insured's permission. |
| Newly Form or Acquired Organizations | Who is an Insured includes Newly Formed or Acquired Organizations. |
| Personal And Advertising Injury | Abuse of process is included in the definition of malicious prosecution. |