

Exhibit B

CONTRACTOR TERMS AND CONDITIONS

1. Scope of Work.

1.1 Task Order. Contractor agrees to perform all obligations described in each Task Order and to furnish all tools, equipment, labor, supplies, supervision and material necessary to perform and complete the work described in the Task Order, which shall hereinafter be referred to as "the Work," within the time set forth in that Task Order and in accordance with the drawings and specifications for the Work and the terms and conditions stated in the Agreement. Contractor shall maintain all materials and equipment in accordance with manufacturer's requirements while such materials and equipment are in transit or care and custody of Contractor. Contractor shall coordinate ingress and egress to and from each Work site so as to minimize activities in the vicinity of the Work site.

1.2 Minimizing Impacts. In planning and performing the Work, every effort shall be made by Contractor to minimize the levels of noise, dirt, dust, molds, biological organisms, fumes, odors and similar items to the extent possible. Contractor shall schedule and execute all Work in a manner that does not interfere with or disrupt County facilities, operations, or real or personal property of County, or that of its officers, employees, agents, invitees, licensees, lessees or contractors. Except as otherwise shown or specified in a Task Order, Contractor shall not cut, alter or remove any structural work, and shall not disturb any ducts, plumbing, steam, gas, or electrical work without approval of County.

1.3 Existing Installations. Task Orders may indicate above and below grade structures, facilities, and equipment such as: drainage lines, storm drains, sewers, water, gas, electrical, chemical, hot water, and other similar items and utilities. Contractor shall locate these known existing installations before proceeding with trenching or other operations that may cause damage. As appropriate, Contractor shall further locate, by carefully excavating with small equipment, potholing and principally by hand, all such utilities or installations that are to remain and that are subject to damage. If additional facilities, equipment, or utilities whose locations are discovered, Contractor shall immediately report same to County.

1.4 Examination of Work Site. By signing each Task Order, Contractor warrants that it has carefully examined the site of the Work and the Task Order and has satisfied itself of all local and any special conditions affecting the Work and related concerns. Tests, survey results, geotechnical reports, or other data or information furnished or referred to in the Task Order are furnished for the Contractor's convenience. The County does not guarantee that such tests or preliminary investigations or other data and information are accurate and assumes no responsibility whatsoever as to their accuracy or interpretation. Contractor shall satisfy itself as to the accuracy or interpretation of all such tests or survey results or other information or data.

1.5 Hazardous Materials. Contractor shall immediately, and in no event later than twenty-four (24) hours after first observance, notify County before disturbing any material that Contractor believes may be hazardous waste or hazardous material, as defined in Section 25117 of the Health and Safety Code (including, without limitation, asbestos, lead, PCBs, petroleum and related hydrocarbons, and radioactive material) or any other material that may present an imminent substantial danger to persons or property exposed thereto in connection with the Work.

1.6 Compliance with Laws. Contractor shall, at its expense, give all necessary notices and cause all Work done and materials and equipment furnished pursuant to each Task Order to strictly comply with all applicable local, state and federal laws, ordinances, rules, regulations, codes and orders (hereinafter referred to collectively as "Legal Requirements"). Further, Contractor covenants and warrants that it shall observe and comply strictly with all Legal Requirements in connection with the Work, including undertaking and all necessary measures and precautions for the safety and protection of all property and persons. All mandated contractual provisions for and Legal Requirements of contracts pertaining to the Work are hereby referenced and incorporated.

1.7 Environmental Controls. Contractor shall comply with all rules, regulations, ordinances, and statutes that apply to any Work including, without limitation, any toxic, water and soil pollution controls and air pollution controls specified in Government Code, Section 11017 and as required by applicable Air Quality Management District, California Water Quality Control Board, and best management practices. Contractor shall be responsible for insuring that Contractor's employees, subcontractors and the public are protected from exposure to airborne hazards or contaminated water, soil or other toxic materials used during or generated by activities associated with the Work.

2. Payment Terms.

2.1 Task Order Sum. County agrees to pay Contractor for performance of the Task Order and completion of the Work in accordance with the Task Order the sum identified in the Task Order (hereinafter referred to as "Task Order Sum"). For all Task Orders over \$25,000, County may reserve and retain ten percent (10%) of the Task Order Sum until final payment.

2.2 Consolidated Networks agrees to a 10% retention on Task orders <\$25,000. Any Task Order over \$25,000 will have a Performance and Payment Bon and not require the 10% retention.

2.3 Final Payment. Provided Contractor has satisfactorily completed the Work and met all other conditions, County will pay to Contractor, in manner provided by law, the unpaid balance of the Task Order Sum, or whole Contract Sum of Work if no progress payment has been made, less sums as may be lawfully retained under any provisions of the Agreement or by law. Prior progress payments and change orders shall be subject to audit and correction in the final payment.

2.4 Public Contract Code Section 22300. In accordance with the provisions of Public Contract Code Section 22300, substitution of securities for any moneys withheld is permitted under following conditions:

2.4.1 At request and expense of Contractor, securities listed in Section 16430 of the Government Code, bank or savings and loan certificates of deposit, interest bearing demand deposit accounts, standby letters of credit, or any other security mutually agreed to by Contractor and County which are equivalent to the amount withheld under retention provisions stated herein shall be deposited with Controller or with a state or federally chartered bank in California, as the escrow agent, who shall then pay such moneys to Contractor. Upon satisfactory completion of each Task Order, securities shall be returned to Contractor.

2.4.2 Alternatively, Contractor may request and County shall make payment of retentions earned directly to the escrow agent at the expense of Contractor. At the expense of Contractor, Contractor may direct the investment of the payments into securities and receive the interest earned on the investments upon the same terms provided for securities deposited by Contractor. Upon satisfactory completion of the Work, Contractor shall receive from escrow agent all securities, interest, and payments received by the escrow agent from County. Contractor shall then pay to each Subcontractor, not later than 20 days after receipt of the payment, the respective amount of interest earned, net of costs attributed to retention withheld from each Subcontractor, on the amount of retention withheld to insure the performance of Contractor.

2.4.3 Contractor shall be beneficial owner of securities substituted for moneys withheld and shall receive any interest thereon.

2.4.4 Contractor may enter into an escrow agreement substantially similar to the form provided for in California Public Contract Code Section 22300(f), specifying amount of securities to be deposited, terms and conditions of conversion to cash in case of default of Contractor, and termination of escrow upon completion.

2.4.5 Public Contract Code Section 22300 is hereby incorporated in full by this reference and shall supersede anything inconsistent therewith.

2.5 Progress Payments. Pursuant to California Public Contract Code §20104.50, if County fails to make any progress payment within 30 Days after receipt of an undisputed and properly submitted Application for Payment from Contractor, County shall pay interest to the Contractor equivalent to the legal rates set forth in subdivision (a) of Section 685.010 of the California Code of Civil Procedure. The 30-Day period shall be reduced by the number of days by which County exceeds the seven-Day return requirement set forth herein.

3. Bonds.

3.1 Performance Bond. For Task Orders, Contractor shall furnish a performance bond, each in the full amount of the Task Order Sum, to remain in effect until the date of Work completion, and shall be issued by a surety authorized to transact business in the State of California. Bonds shall guaranty faithful performance of the Work and be substantially in the form included in this Exhibit.

3.2 Payment Bond. For any Task Orders of \$25,000 or more, Contractor shall furnish a labor and material payment bond and a performance bond, each in the full amount of the Task Order Sum, to remain in effect until the date of Work completion, and shall be issued by a surety authorized to transact business in the State of California. Bonds shall provide as otherwise required by applicable law, including Civil Code section 9550 *et seq.* and shall be substantially in the form included in this

Exhibit

4. Labor Requirements.

4.1 Prevailing Wage. Pursuant to California Labor Code Section 1770 *et seq.*, for all Work Contractor shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations (DIR). Up to two hundred dollars (\$200) shall be forfeited as penalty for each calendar day, or portion thereof, for each worker paid less than applicable prevailing wage rates. Copies of the general prevailing rates of per diem wages for each craft, classification, or type of worker needed to execute work, as determined by Director of the State of California Department of Industrial Relations and are deemed included in the Proposal Documents. State prevailing wage requirements are published by the Director of the State of California Department of Industrial Relations and can be found online at www.dir.ca.gov. Prevailing wage requirements can also be found at the General Service's Purchasing Department, located at 2300 County Center Dr., Suite A208, Santa Rosa, CA 95403. Said rates shall be posted at all public work job sites. Contractor is advised that if it intends to use a craft or classification not on file on the general wage determinations, Contractor may be required to pay the wage rate of the craft or classification most closely related to it as shown in the general determinations. Contractor shall post (or cause the posting of) all required notices, including those required pursuant to 8 CCR 16451, and shall make them available to any interested party upon request. The difference between such prevailing wage rates and the amount paid each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by Contractor. Further, Contractor shall make all applicable travel and subsistence payments to each worker entitled thereto as required pursuant to the Labor Code.

4.2 Subcontracts. Contractor shall insert in every subcontract or other arrangement which Contractor may make for performance of such work or labor on work provided for in the Agreement, provision that Subcontractor shall pay persons performing labor or rendering service under subcontract or other arrangement not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed in the Labor Code. Pursuant to Labor Code Section 1775(b)(1), Contractor shall provide to each Subcontractor a copy of Sections 1771, 1775, 1776, 1777.5, 1813 and 1815 of the Labor Code.

4.3 Hours of Work. Pursuant to California Labor Code Section 1810 and following, eight (8) hours of labor shall constitute a legal day's work, and workers may not work more than eight hours a day or 40 hours in any one calendar week, unless compensated at not less than time and a half as set forth in Labor Code Section 1815 or as otherwise required by law. Twenty-five dollars (\$25) shall be forfeited as penalty for each worker employed in violation of the provisions of Labor Code sections 1810 *et seq.*

4.4 Payment Bonds. In accordance with California Labor Code section 3700, Contractor is required to secure the payment of compensation of its employees and ensure the same by subcontractors and any other third parties. By signing this Agreement, Contractor certifies awareness of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and certifies they will comply with such provisions before commencing work.

4.5 Payroll Records. All payroll record keeping, availability, certification, and confidentiality requirements set forth in Labor Code section 1776 and 8 CCR sections 16400 *et seq.* shall be complied with. Accurate records of the work performed, as set forth in Labor Code section 1812, shall be kept, or caused to be kept, including showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by such Contractor and subcontractor(s) in connection with all Work. All work is subject to the requirements of Labor Code section 1771.4 and Title 8, Cal. Code of Regulations Div. 1, Chapter 8, Subchapter 4.5 (starting at 8 CCR §16450), including the requirement to monthly furnish certified payroll records directly to the Labor Commissioner. Work under this Agreement is subject to compliance monitoring and enforcement by the Department of Industrial Relations. Contractor has ten (10) days in which to comply subsequent to receipt of a written notice requesting the records described herein. In the event that Contractor fails to comply with the ten-day period, he or she shall, as a penalty to County on whose behalf the contract is made or awarded, forfeit \$100.00 for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated.

4.6 Employment of Apprentices. Prior to commencement of work, Contractor shall contact the Division of Apprenticeship Standards and shall be responsible for compliance with Section 1777.5, 1777.6, and 1777.7 of the

Labor Code and Title 8, Cal. Code of Regulations, Div. 1 Chapter 2 concerning the employment of registered apprentices in connection with the Work. Responsibility for compliance with these requirements lies solely with Contractor.

4.7 Registration. Contractors and subcontractors shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, unless currently registered and qualified to perform public work pursuant to Labor Code Section 1725.5.

4.8 Other Requirements. Contractor shall comply with and/or cause compliance with all requirements specified in Labor Code Sections 1776(g), 1777.5, 1810, 1813, and 1860, including all requirements to insert required provisions in subcontracts and other third party contracts.

5. Subcontracts. It is understood and agreed that Contractor will perform all work unless specifically authorized by County, based on receipt of information as required by Public Contract Code Section 4100. All subcontractors bidding on subcontracts shall be afforded the protections contained in Chapter 4 (commencing with Section 4100) of Part 1 of Division 2 of the Public Contract Code. Without limiting the foregoing, Contractor shall not substitute any other person or firm in place of any subcontractor listed in any Work estimate or proposal. Consistent with the Subcontractor Listing Law, contractors shall not assign or transfer their subcontracts or permit them to be performed by any other contractor or subcontractor without County's written approval. At County's request, Contractor shall provide a complete copy of all executed subcontracts or final commercial agreements with subcontractors and/or suppliers. Subcontract agreements shall preserve and protect the rights of County under the Agreement so that subcontracting will not prejudice any County right contained therein.

6. Special Requirements for County Detention Facilities. All County detention facilities (Main Adult Detention Facility, North County Detention Facility, and the Sonoma County Juvenile Justice Center) maintain a "No hostage" policy. All persons entering the facility are on notice that, in a hostage situation, the Sheriff's Department will not negotiate for the release of hostages.

Project site for Work may be a working 24 hours per day 7 day per week County detention facility. Work may be performed between the hours of 7:30 AM and 6:00 PM during the week. Contractor may make arrangements for work to proceed before or after normal hours or on weekends with prior approval of County. Some types of work require that they be done without personnel in the vicinity. Such work shall be substantially completed, including painting, lacquering, plastic lamination application and carpet gluing prior to 8:00 AM of the following workday. The affected department will do all that is possible to allow for Contractor operation, but will expect Contractor to make arrangements for necessary ingress and egress to the department.

Contractor will review the employees selected for Work in such facilities and limit access to those having no criminal record. Contractor shall provide Sheriff's Department through County's Project Manager the full name, California driver's license number, social security number and date of birth for all workers and supervisory personnel and subcontractors who will conduct Work in such facilities. Any employee or subcontractor entering such facilities must have a preliminary background clearance. There will be no exceptions to this. Only approved personnel will be allowed on site. All information gathered through this process will be kept confidential and access to the information limited to Sheriff's Department.

All employees, etc. approved for Work in such facilities must attend a mandatory training session to be conducted by Sheriff's Department. Any substitutions or replacements of approved personnel are subject to the same requirements for background clearance before they will be permitted on the premises. Understaffing of the project as a result of lack of approved personnel will be at the sole risk of Contractor and County will not grant any time extensions or other contract modifications due to such understaffing.

Contractor will take all appropriate measure to insure the security of the jobsite and all of the included work and storage areas. No tools are to be left unattended within the secure area of the building or grounds. Contractor will direct that all employees and subcontractors diligently police the construction area for removal of tools, debris, and any other project materials. Violation of these protocols will be grounds for removal of violating personnel from the site. Should this occur, County will not grant any time extensions on the Work relating to lost labor time or other resulting impacts.

No inmate is to work with or assist Contractor in any way.

A policy of enforced separation between Contractor's personnel and inmates will be maintained during all Work. Communication between working personnel and inmates shall be limited to that which is required to proceed with the Work or to mitigate unsafe conditions. No information regarding the Work shall be provided to inmates. All necessary communication shall be directed to County's Project Manager and/or Sheriff's Department personnel. Violation of this protocol will result in immediate dismissal from the site and no time extensions will be granted to Contractor.

Any work that might create health hazards, excessive noise, dust, etc. must be conducted and coordinated with the approval of Sheriff's Department and County's Project Manager. Without limiting the foregoing, Contractor shall provide and maintain necessary temporary partitions, dust curtains or other units necessary to allow department's business to proceed in a normal fashion and to secure the work area from inmate intrusion.

No work or storage of materials will be performed in inmate or public areas without protective measures and prior approval of County's Project Manager and/or Sheriff's Department personnel.

Any work performed at the entrance or exists to the buildings must have proper protection in place to safeguard persons entering or exiting the building.

Contractor must schedule any required utility cut-offs or interruptions with County's Project Manager at least 48 hours before the work being performed. If there will be interruptions to electrical service to any occupied building in excess of one (1) hour, Contractor will be responsible for supplying a generator or other means of temporary power sufficient to fulfill the building's normal requirements.

7. Special Requirements for Valley of the Moon Children's Center. The Valley of the Moon Children's Center is an emergency shelter for children of Sonoma County. As such, privacy rights of resident children are protected. Contractor, and its subcontractors, suppliers and employees of such, (collectively, "Contractors"), who are on site shall observe the privacy and anonymity of the residents as follows:

1. No photographs or videos of children shall be taken
2. No discussion or identification of resident children with outside sources or persons
3. Children shall not be allowed in Contractor vehicles
4. No purchasing for or provision of tobacco or alcohol products to children
5. No encouragement of conversation with children.
6. No construction materials or construction debris shall be left unattended in a location accessible to children at any time.

Violation of any of the above shall be cause for legal action against the responsible party.

8. Liens. No material, supplies, or equipment for Work under the Contract shall be purchased subject to any chattel mortgage, security agreement, or under a conditional sale or other agreement by which an interest therein or any part thereof is retained by seller or supplier. The Contractor warrants good title to all material, supplies, and equipment installed or incorporated in the Work. Contractor shall at all times keep the Work site and all areas where Work is to be performed free and clear of all liens, claims and encumbrances arising by or through Contractor, including without limitation any lien arising by virtue of any labor or materials provided by any laborer, materialman, mechanic, employee, supplier or other ("Lien"). Should Contractor not either pay or cause to be released (pursuant to a mechanics lien release bond or otherwise) any Lien by any date within five (5) business days after notice from County, County may, at its sole election, either pay the Lien in an amount determined by County in its sole discretion, or (ii) purchase a release bond for the Lien in the required statutory amount, in either case with funds obtained by setting off any amounts otherwise due or to become due Contractor, and reduce the amount due under the respective Task Order by such amount. If funds are insufficient, Contractor shall promptly pay the deficiency to County.

9. County's Right to Terminate Agreement.

9.1 Contractor's Failure to Diligently Prosecute Work. Contractor shall diligently prosecute the Work to completion and in all events within the time specified. Whenever in the opinion of County, Contractor fails to achieve satisfactory progress or fails to supply a satisfactory number of skilled workers and adequate equipment and materials for the efficient execution of the Work, County may give a written notice requiring Contractor to provide sufficient personnel, equipment, and material for the expeditious progress of the Work within forty-eight (48) hours after delivery of the notice. If Contractor fails to comply, County may complete the Work itself or employ other contractors to finish the Work. County shall not be held to obtain the lowest figure for completing the Work. Time is of the essence in this Agreement. If County proceeds to complete the Work itself or employs another contractor to

finish the Work, Contractor shall promptly surrender possession of the job site together with all equipment and materials to the County for use by County in completing the Work. The cost of such work and necessary materials shall be charged against Contractor (including the cost for additional managerial and administrative services) and shall be deducted from the next or subsequent estimate payment for same. If payments are not sufficient to cover the charges, the balance may be recovered from Contractor or its sureties. If County declares this Agreement terminated pursuant to this Section and the amount of any such charge is less than the amount which was already due to Contractor at the time of termination, the difference shall be paid to Contractor by County. Should the amount of said charges exceed the latter, the difference shall be immediately paid by Contractor to County.

9.2 Deviations from the Plans or Specifications. County shall be entitled to terminate this Agreement in the event that there are any deviations in the Work from the Plans or Specifications without the prior written approval of County, or the appearance of defective workmanship or materials which said deviations or defects are not corrected within five (5) days after receipt by Contractor of written notice thereof, provided that if any such deviation or defect is capable of correction but cannot be reasonably corrected within such five (5) day period; County shall not be entitled to terminate the Agreement unless Contractor fails to commence the correction within such five (5) day period and completes such correction within twenty (20) days following written notice from County of such defect or deviation or to complete such correction within lesser time period if the failure to do so would, in the reasonable determination of County, cause the completion of the Work to be later than the time specified.

9.3 Insolvency of Contractor. County shall be entitled to terminate this Agreement upon the occurrence of any of the following events: (i) Contractor shall voluntarily commence any case, proceeding or other action (A) under the Federal Bankruptcy Code, as amended from time to time, or under any other existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, seeking to adjudicate Contractor a bankrupt or insolvent or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition, or other relief with respect to Contractor or its debts, or (B) seeking appointment of a receiver, custodian or other similar official for Contractor or for all or any substantial part of Contractor's assets, or Contractor shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against Contractor any involuntary case, proceeding or other action of a nature referred to in clause (i) which (A) results in the entry of an order for relief of any such adjudication or appointment or (B) remains unstayed and undismissed for a period of sixty (60) days; or (iii) there shall be commenced against Contractor any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of contractor's assets, which shall not have been vacated, discharged or stayed or bonded pending appeal within thirty (30) days from the entry thereof; or (iv) Contractor shall take any action in furtherance of, or indicating Contractor's consent to approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii); or (v) Contractor shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or (vi) any termination or voluntary suspension of the transaction of business of Contractor, or any attachment, execution or other judicial seizure of all or any substantial portion of Contractor's assets which attachment, execution or seizure is not discharged within thirty (30) days.

9.4 Breach of Contract Documents. In the event Contractor should refuse or should fail to make prompt payment to subcontractors or suppliers, or disregard any Legal Requirements or the instructions of the County, or otherwise be guilty of a violation of any provision of the Task Order, then the County, may, without prejudice to any other right or remedy and after giving the Contractor three (3) days' written notice, terminate the employment of the Contractor and take possession of the premises and of all materials, tools, and appliances thereon and finish the Work by whatever method it may deem expedient. In such case, Contractor shall not be entitled to receive any further payment until the Work is finished. If the unpaid balance of the Task Order Sum shall exceed the expense of finishing the Work, including the compensation for additional managerial and administrative services, such excess shall be paid to the Contractor. If such expense shall exceed such unpaid balance, the Contractor shall pay the difference to the County.

9.5 Convenience of the County. The County may, at any time, upon ten (10) days' written notice to the Contractor, which notice shall specify that portion of the Work to be terminated and the date said termination is to take effect, terminate (without prejudice to any right or remedy of the County) the whole or any portion of the Work under the Task Order for the convenience of the County. If the County terminates this Agreement for convenience as allowed herein, the County, in its sole discretion, may require the Contractor to complete any Work necessary to facilitate transfer of the Contractor's responsibilities to another contractor or to ensure that the Work is protected pending completion thereof.

10. Delay Damages. Notwithstanding anything to the contrary herein, in the event of any delay in Contractor completing any Work by the timeframe(s) specified in a Task Order, the parties agree that County actual damages,

would be extremely difficult or impracticable to determine. Accordingly, the parties agree to specify a per-day sum in each Task Order, said sum to be deducted from the Contractor's compensation as liquidated damages for each calendar day or portion thereof that completion of the Work is delayed. Contractor and County acknowledge and agree that the sum per day to be specified shall be an agreed, reasonable estimate of the damages that County would suffer in the event of such a delay, and in no event does such per day amount constitute a penalty. Contractor agrees that County may deduct any such liquidated damages due County from the amounts otherwise due Contractor. The amount of liquidated damages is not intended to, nor does the amount include, any damages that may be incurred by County for reasons other than delay in the timely completion of the Work as called for by any Task Order, and County shall be entitled to recover or deduct from sums otherwise due Contractor its damages arising out of such other reasons.

11. Project Closeout Phase Services

- A. Operation/Close Out. During the Operation/Project Close-Out Phase, Contractor and its Designers shall, when requested by County, provide all necessary architectural, design and engineering services, for:
- B. Refining, adjusting and correcting of any equipment or systems.
- C. Start-up, testing and placing in operation all equipment and systems.
- D. Completion of punchlist work.
- E. Training County's staff to operate and maintain all equipment and systems. (Up to eight (8) Hours)
- F. Assist County in developing systems and procedures for control of the operation and maintenance of and record keeping for the Project. (Up to eight (8) Hours).
 - i) Prepare electronic record sets and sets of reproducible record prints or Drawings showing those changes made during the construction process, based on the marked-up prints, Drawings and other data.
 - ii) Together with County, visit the Project to observe any apparent defects in the completed construction, correct such deficiencies, and supply information as needed regarding replacement, correction, or diminished value of defective work.

12. Claims By Contractor

- A. The claim notice and documentation procedure described herein applies to all claims and disputes arising under the Agreement or any Task Order, including without limitation any claim or dispute by any subcontractor or material supplier. All subcontractor and supplier claims of any type shall be brought only through Contractor as provided herein. Under no circumstances shall any subcontractor or supplier make any direct claim against County.
- B. "Claim" means a written demand or written assertion by Contractor seeking, as a matter of right, the payment of money, the adjustment or interpretation of Agreement or any Task Orders terms, or other relief arising under or relating to Agreement or any Task Orders. In order to qualify as a "claim," the written demand must state that it is a claim submitted under these specific provisions.
- C. These claim provisions constitute a non-judicial claim settlement procedure, and also step one of a two-step claim presentment procedure by agreement under Section 930.2 of the California Government Code. Specifically, step one is compliance with this contract claims procedure and filing / administering timely contract claims in accordance with this Agreement first. Step two is filing a timely Government Code Section 910 claim in accordance with the California Government Code.
- D. These claim provisions shall survive termination, breach or completion of this Agreement or any Task Orders. Contractor shall bear all costs incurred in the preparation and submission of a claim. Pursuant to Government Code Section 930.2, the one-year period in Government Code section 911.2 to file a Government Code Section 910 claim shall be reduced to one hundred fifty (150) days. Any Government Code Section 910 claims shall be presented in accordance with the Government Code and shall affirmatively indicate Contractor's prior compliance with the claims procedure herein and previous dispositions of claims submitted hereunder.

12.1 Mandatory Procedures For Disputed Work

- E. Disputed Work and Contract Procedures: Should it appear to Contractor that the work to be performed or any of the matters relative to the Agreement or any Task Orders are not satisfactorily detailed or explained therein, or should any questions arise as to the meaning or intent of the Agreement or any Task Orders, or should any dispute arise regarding the true value of any work performed, work omitted, extra work that the Contractor may be required to perform, time extensions, payment to the Contractor under this Agreement or any Task Orders, performance of any Task Orders, and/or compliance with Agreement procedures, County decisions or directions, County actions or inactions, or

should Contractor otherwise seek extra time or compensation FOR ANY REASON WHATSOEVER (hereafter, "Disputed Work"), then Contractor shall so advise County in writing and complete any applicable procedures set forth in this Agreement for addressing and/or resolving such matters.

- F. Timely Notice and Review of Disputed Work Required: Before commencing any Disputed Work, or within ten (10) days after Contractor's first knowledge of the Disputed Work, whichever is earlier, Contractor shall file a written notice and preliminary good faith cost proposal for the Disputed Work with County stating clearly and in detail its objection and reasons for contending the Disputed Work is outside or in breach of the requirements of Agreement or any Task Orders. It is the responsibility of the Contractor to substantiate that the Disputed Work is in fact a change from the base scope of the Work.
1. The written notice must identify the subcontractors, vendors, suppliers affected, if any, sufficient for County to visit the subject Work site to inspect the Work and/or conduct a telephonic interview of the persons involved, and/or to photograph the work in question; and Contractor shall supply digital photographs by email and provide County with contact information for all involved subcontractors, suppliers of any tier, to facilitate prompt "in person" review.
 2. The preliminary cost proposal must provide a good faith preliminary estimate of the labor (workers, crews), equipment and/or materials involved, and a corresponding good faith preliminary estimate of cost.
 3. Contractor shall meet and confer with County as requested in a good faith attempt to resolve the Disputed Work.
 4. If the initially required written notice and preliminary cost proposal for Disputed Work is not issued within the time period required herein, or if Contractor proceeds with the Disputed Work without first having given the notice of the Disputed Work, Contractor shall be deemed to have waived its rights to further claim on the specific issue.
- G. Timely Notice of Potential Claims Required: County will review Contractor's timely notice and preliminary cost proposal for Disputed Work and provide a decision. If, after receiving the decision, Contractor disagrees with it or still considers the work required of it to be outside of the requirements of Agreement or any Task Orders, then Contractor shall so notify County, in writing, within ten (10) days after receiving the decision, by submitting a notice of potential claim, stating that a formal claim will be issued. (If for any reason County should fail to act or provide a decision on a notice and preliminary cost proposal within thirty (30) days, then Contractor shall submit a notice of potential claim within ten (10) days following the thirtieth (30th) day, i.e., or by the 40th day following the notice and preliminary cost proposal.) In all cases, Contractor shall continue to prosecute the Disputed Work to completion.
- H. Claim Negotiations Required: Upon receipt of Contractor's notice of potential claim, Contractor and County shall negotiate the claim to try and reach agreement. If Contractor and County fail or are unable to schedule or complete such negotiations, then the notice of potential claims shall be deemed denied.
- I. Quarterly Claims Required: At the end of each calendar year quarter (March 31, June 30, September 30 and December 31) of each year, for each and every notice of potential claim that Contractor may have submitted in that quarter, Contractor shall submit a formal claim in the form specified herein. Contractor may file a single consolidated claim each quarter, or may file separate claims each quarter, as Contractor sees fit, provided Contractor complies with the requirements below. (Contractor may defer until the next reporting period the filing of a formal claim for any notices of potential claim timely issued within the last twenty-one (21) days of the prior quarter.) The formal claim(s) shall include all arguments, justification, cost or estimates, schedule analysis, and detailed documentation supporting Contractor's position, for each notice of potential claim that Contractor intends to pursue as a formal claim (further described below).
- J. Claim Updates Required: If Disputed Work persists longer than a single calendar quarter, then Contractor shall, every quarter until the Disputed Work ceases, submit to County a document titled "Claim Update" that shall update and quantify all elements of the claim as completely as possible. Contractor's failure to submit a Claim Update or to quantify costs every quarter shall result in waiver of the claim for that period. Claims or Claim Updates stating that damages, total damages (direct and indirect), schedule impact and/or any time extension will be determined at a later date shall not comply with this subparagraph and shall result in Contractor waiving its claim(s). Contractor shall also maintain a continuing "claims log" that shall list all outstanding claims and their value, and provide such log to County quarterly.

12.2 Action On Claims

- K. Final Decision: Upon receipt of Contractor's formal claim(s) including all arguments, justifications, cost or estimates, schedule analysis, and documentation supporting its position as required herein, and if the claims negotiations are unsuccessful, County or its designee will review the issue and render a final

determination. If County should fail to provide a decision, then such claims shall be deemed denied after forty-five (45) days following their receipt.

- L. Mediation: All Contractor formal claims shall, as a condition precedent to litigation thereon, first be mediated. Mediation shall be confidential, non-binding and utilize the services of a mediator mutually acceptable to the parties and, if the parties cannot agree, a mediator selected by the American Arbitration Association from its panel of approved mediators trained in construction industry mediation. All statutes of limitation shall be tolled from the date of the demand for mediation until a date two weeks following the mediation's conclusion. All unresolved Contractor claims shall be submitted to the same mediator. The cost of mediation shall be equally shared by all parties to the mediation.

12.3 Claim Format

- M. Contractor shall submit the formal claim(s) with a cover letter and certification of the accuracy of the formal claim.
- N. The formal claim(s) shall list separately each notice of potential claim that Contractor intends to pursue as a formal claim(s), and for each such item separately, Contractor shall provide the following:
 - 1. Summary of the claim, including underlying facts, entitlement, schedule analysis, quantum calculations, contract provisions supporting relief;
 - 2. List of documents relating to claim including Specifications, Drawings, clarifications / requests for information, schedules, notices of delay, and any others;
 - 3. Chronology of events and correspondence;
 - 4. Analysis of claim merit;
 - 5. Analysis of claim cost; and
 - 6. Attach supporting cost and schedule documents as required herein and elsewhere in the Agreement or any Task Orders (e.g., progress schedules and reports).
- O. For each notice of potential claim that Contractor intends to pursue as a formal claim, Contractor shall establish in the formal claim a direct causal link between the separate item of cost/time requested, the separate notices of potential claim timely issued, and the specific changed work asserted. Total cost claims shall not be allowed.
- P. Claims shall be calculated in the same manner as change orders.

12.4 Subcontractor Claims

- Q. Contractor shall require each subcontractor, sub-subcontractor and supplier to comply with this claims procedure, to provide Contractor with timely notice and documentation of all claims; and Contractor shall present as its claims, all subcontractor, sub-subcontractor and supplier claims of any type, and prove them under the terms of the Agreement. County shall not be directly liable to any subcontractor, any supplier, or any other person or organization, or to any surety for or employee or agent of any of them, for damages or extra costs of any type arising out of or resulting from any Task Order.

12.5 Waiver And Substantial Compliance

- R. If Contractor fails to comply with these procedures as to any claim or Disputed Work, then Contractor shall waive its rights to such claim. All claim(s), Disputed Work items or issue(s) not raised in a timely notice, timely notice of potential claim and then timely claim submitted under these procedures, may not be asserted in any subsequent arbitration, litigation or legal action, and any award (or portion thereof) issued contrary to this preclusion shall be vacated to the extent contrary.
- S. Contractor may request an extension of time to comply with the claims procedure herein, but must do so in advance of time periods expiring and County must give its approval in writing (which approval may be withheld in County discretion.) As to any other feature of the claim procedure herein (and its claims waiver feature), it may not be waived or altered absent a written amendment signed by both parties and accepted as to form by their legal counsel.
- T. County in its sole discretion, may consider Contractor's substantial compliance with the required initial notice and cost proposal, provided Contractor demonstrates good faith and a manifest lack of prejudice to County from late written notice, for example, contemporaneous County / Contractor discussions and review of Disputed Work with full opportunity to investigate and verify costs and work performed. Under no circumstances may substantial compliance be considered when the required written notice is more than twenty-one (21) calendar days late.
- U. County shall not be deemed to waive or alter any provision under these provisions, if at County's sole discretion, a claim is administered in a manner not in accord with these provisions.

12.6 Intent

- V. The claim notice and documentation procedure described herein is intended to require notice and sufficient documentation of claims, potential claims, disputes and disagreements, to permit discussions

and negotiations of the matters in question, between and among all parties involved, prior to and contemporaneously with the matters in question, in sufficient time for the parties to make informed decisions, mitigate and document costs and potential costs. Under no circumstances may this procedure be interpreted, modified or viewed to permit, claims, potential claims or change order requests for Disputed Work that has been performed, covered up or otherwise become unavailable for reasonable contemporaneous verification and negotiation with involved parties (e.g., Contractor, subcontractor, suppliers, County, etc.).

Construction Labor and Material Payment Bond

KNOW ALL PERSONS BY THESE PRESENTS:

1.01 THAT WHEREAS, COUNTY OF SONOMA (Owner) has awarded to (Name of Contractor)
_____ as Principal, Task Order Number _____ ("Task Order"), pursuant to that
certain Master Services Agreement dated the _____ day of _____, 20____ (the "Contract").
The Task Order, and the Contract of which it is a part, are hereby incorporated and made a part hereof.
Pursuant to the Task Order and Contract the Principal shall perform the following work:

(Describe Contract Work) _____

1.02 AND WHEREAS, Principal is required to furnish a bond in connection with the Contract to secure the payment of claims of laborers, mechanics, material suppliers, and other persons as provided by law;

1.03 NOW, THEREFORE, we, the undersigned Principal and (Name of Surety)
_____, as Surety, are held and firmly bound unto Owner in the sum of 100% OF
THE TASK ORDER PRICE (\$ _____), for which payment well and truly to be made we bind
ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by
these presents.

1.04 THE CONDITION OF THIS OBLIGATION IS SUCH, that if Principal, or its executors, administrators, successors, or assigns approved by Owner, or its subcontractors shall fail to pay any of the persons named in California Civil Code Section 9100, or amounts due under the State of California Unemployment Insurance Code with respect to work or labor performed under the Task Order, or for any amounts required to be deducted, withheld, and paid over to the State of California Employment Development Department from the wages of employees of Principal and subcontractors pursuant to Section 13020 of the State of California Unemployment Insurance Code with respect to such work and labor, that Surety will pay for the same in an amount not exceeding the sum specified in this bond, plus reasonable attorneys' fees, otherwise the above obligation shall become and be null and void.

1.05 This bond shall inure to the benefit of any of the persons named in California Civil Code Section 9100, as to give a right of action to such persons or their assigns in any suit brought upon this bond. The intent of this bond is to comply with the California Mechanic's Lien Law.

1.06 Surety, for value received, hereby expressly agrees that no extension of time, change, modification, alteration, or addition to the undertakings, covenants, terms, conditions, and agreements of the Contract or Task Order, or to the work to be performed thereunder, shall in any way affect the obligation of this bond; and it does hereby waive notice of any such extension of time, change, modification, alteration, or addition to the undertakings, covenants, terms, conditions, and agreements of the Contract and Task Order, or to the work to be performed thereunder.

1.07 Surety's obligations hereunder are independent of the obligations of any other surety for the payment of claims of laborers, mechanics, material suppliers, and other persons in connection with Contract; and suit may be brought against Surety and such other sureties, jointly and severally, or against any one or more of them, or against less than all of them without impairing Owner's rights against the other.

1.08 Correspondence or claims relating to this bond shall be sent to Surety at the address set forth below.

IN WITNESS WHEREOF, we have hereunto set our hands this ____ day of _____, 20____.

CONTRACTOR AS PRINCIPAL

SURETY

Company: (Corp. Seal)

Company: (Corp. Seal)

Signature

Name

Title

Street Address

City, State, Zip Code

Signature

Name

Title

Street Address

City, State, Zip Code

END OF DOCUMENT