

CITY MANAGER'S REPORT AGENDA ITEM REQUEST FINANCE DEPARTMENT

TO:

Ed Lavallee, City Manager

THROUGH:

Jeff Snyder, Finance Director

FROM:

Peter Boers, Procurement Manager

DATE:

July 22, 2014

SUBJECT:

Approval of Contract for Water Main Replacement Phase 2 (ITB

2986-14) with Spectrum Underground, Inc. in the amount of

\$1,066,617.00.

Background:

At the request of the Utilities Department, Procurement has solicited sealed bids for Water Main Replacement, Phase 2. On June 4, 2014 four (4) responsive and responsible bids were received.

Upon evaluation of the bids staff recommends award to Spectrum Underground, Inc. of Sarasota, FL, a "local business" as defined in Section 2-211, as the lowest responsive and responsible bidder, in the amount of \$1,066,617.00. A Notice of Intent to Award was issued on June 16, 2014

The Utilities Department has reviewed the bid responses and concurs with this recommendation.

Requested Action:

Approval of the attached contract with Spectrum Underground, Inc.in the amount of \$1,066,617.00 and grant authorization for the Mayor to execute the contract.

City Attorney Review:

The City Attorney has reviewed this document and finds no legal objections.

Risk Management Review:

The Risk Manager has reviewed this document and finds no risk management objections.

Funds Availability (account number):

Funds appropriated in department account for budget year 2013-2014

Cc: Len Bramble, Utilities Director

Tim Hochuli, Assistant Utilities Director

Attachments



CITY OF VENICE
401 W. Venice Avenue Venice, FL. 34285

NOTICE OF INTENT TO AWARD

BID NUMBER: ITB 2986-14

BID TITLE: Water Main Replacement, Phase 2

DUE DATE AND TIME: June 4, 2014 at 2:00 PM

RESPONDENTS:

Company Name	City	County	Total Bid Price
DeJonge Excavating Contractors, Inc.	Venice, FL	Sarasota	\$2,068,929.00
Gator Grading and Paving, LLC	Palmetto, FL	Manatee	\$1,140,910.00
Spectrum Underground, Inc.	Sarasota. FL	Sarasota	\$1,066,617.00
Westra Construction Corporation	Palmetto, FL	Manatee	\$1,369,980.00

AWARD: The contract will be awarded to the responsive and responsible Bidder submitting the lowest Base Bid Total plus City Selected Alternate(s) provided the bid is reasonable and in the best interest of the City to accept. The City reserves the right to award in any fashion that best suits the needs of the City.

RESULTS: Spectrum Underground, Inc., having submitted the lowest responsive and responsible bid is recommended for award. City elects **not** to award Alternate 1.

By: Date: 6/16/2014

Peter A Boers, Procurement Manager

CONTRACT

	THI	S CONT	RA(CT, pursuan	t to City Cou	incil appro	oval	gra	nted	on			, is
made	and e	entered in	to 1	this	_ day of					, 2014, t	y and	l betweer	the
					hereinafter								
UNDI	ERGR	OUND,	INC	. hereinafte	r referred to	as the "Co	ntra	ictor	. "	•			

WITNESSETH:

THAT FOR and in consideration of the mutual covenants and obligations hereafter set forth, the parties hereto agree as follows:

- (1) The contract documents consist of this Contract, standard general conditions, supplemental conditions, special conditions, technical specifications, drawings, Contractor's bid proposal for ITB #2986-14, payment and performance bonds, all of which are hereby made a part of this Contract.
- (2) The Contractor shall perform all the work required by the contract documents for the following project; and shall include installation of the listed items, per the bid specifications pursuant to City of Venice ITB # 2986-14: Water Main Replacement, Phase 2
- (3) The work to be performed under this contract shall be completed by the Contractor within **two hundred seventy (270)** days of the issuance of the Notice to Proceed by the City.
- (4) The City shall pay the Contractor for the performance of the work, subject to the terms and conditions of the contract documents and any written change orders, the contract sum of <u>one</u> <u>million sixty six thousand six hundred seventeen dollars & 00/100 (\$1,066,617.00)</u>.
- (5) Time is of the essence in this contract. In the event that the work is not completed within the required time, then from the compensation otherwise to be paid to the Contractor, the City may retain the sum of **one thousand five hundred thirty-two dollars (\$1,532.00) per day** for each calendar day that the work remains uncompleted beyond the time limit, which sum shall represent the actual damages which the City will have sustained per day by failure of the Contractor to complete the work within the required time, said sum not being a penalty but being the stipulated damages the City will have sustained in the event of such default by the Contractor.
- (6) In connection with the performance of work under this Contract, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, sex, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor agrees to post hereafter in conspicuous places, available for employees or applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause. The Contractor further agrees to insert the foregoing provisions in all contracts hereunder, including contracts or agreements with labor unions and/or workers' representatives, except subcontracts for standard commercial supplies or raw materials.
- (7) Pursuant to applicable Florida law, Contractor's records associated with this Contract may be subject to Florida's public record laws, Florida Statutes 119.01, et seq, as amended from time

to time. Contractor shall comply with all public records obligations set forth in such laws, including those obligations to keep, maintain, provide access to, and maintain any applicable exemptions to public records, and transfer all such public records to the City at the conclusion of this Contract, as provided for in Section 119.0701, Florida Statutes.

- (8) Termination. This Contract may be terminated by the City if Contractor is in breach of any term or provision of this Contract or any of the contract documents, or at any time such termination is in the best interest of the City. This Contract may be terminated by the Contractor only by mutual consent of both parties. If this Contract is terminated before performance is completed, the Contractor shall be paid only for that work satisfactorily performed for which costs can be substantiated.
- (9) This Contract and the contract documents constitute the entire agreement of the parties and may not be changed or modified, except by a written document signed by both parties hereto. This Contract shall be binding upon the successors and assigns of the parties.

IN WITNESS WHEREOF, the parties to the agreement have hereunto set their hands and seals and have executed this agreement, the day and year first above written.

CITY OF VENICE
IN SARASOTA COUNTY, FLORIDA

BY:

CITY CLERK

SPECTRUM UNDERGROUND, INC.

BY: M.L. Sunquist, Sr., Vice President
Signed by (typed or printed)

Approved as to Form and Correctness

David Persson, City Attorney



PRODUCER

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 08/18/2014

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).

CONTACT NAME:

Bouchard Insurance for WBS P.O.Box 6090				IA/C, N	o, Ext); (800) 4	293-3600 ext	. 623 FAX (A/C, No	<u>):</u>	
Clearwater, FL 33758-6090				E-MAIL ADDRE	SS:				<u></u>
					INS	SURER(S) AFFO	RDING COVERAGE		NAIC #
	·····		***************************************	INSURI	ERA: America	ın Zurich Inst	rance Company		40142
INSURED				INSURI	ERB:				
Workforce Business Services, Inc. Al 1401 Manatee Ave. West Ste 600	. Emp: Sp	ectru	m Underground Inc	INSURI	ERC:				
Bradenton, FL 34205-6708				INSURI	ERD:				
				INSURI	ERE:				
				INSUR	ERF:				
COVERAGES	CERTIFI	CATI	E NUMBER: 13FL0798210	085			REVISION NUMBER:		
THIS IS TO CERTIFY THAT THE POI INDICATED. NOTWITHSTANDING A CERTIFICATE MAY BE ISSUED OR EXCLUSIONS AND CONDITIONS OF	NY REQUI MAY PER SUCH POL	REME TAIN, ICIES.	NT, TERM OR CONDITION THE INSURANCE AFFORD LIMITS SHOWN MAY HAVE	OF AN ED BY	Y CONTRACT THE POLICIE REDUCED BY	OR OTHER S DESCRIBE PAID CLAIMS	DOCUMENT WITH RESP D HEREIN IS SUBJECT	ECT TO	WHICH THIS
INSR LTR TYPE OF INSURANCE	ADDI INSE	SUBR	POLICY NUMBER		POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIN	NTS	
GENERAL LIABILITY							EACH OCCURRENCE	\$	
COMMERCIAL GENERAL LIABILITY							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$	
CLAIMS-MADE OCCUR							MED EXP (Any one person)	\$	
		İ				•	PERSONAL & ADV INJURY	\$	
							GENERAL AGGREGATE	\$	
GEN'L AGGREGATE LIMIT APPLIES PER:							PRODUCTS - COMP/OP AGO	3 \$	
POLICY PRO- LOC								s	
AUTOMOBILE LIABILITY							COMBINED SINGLE LIMIT (Ea accident)	s	
ANY AUTO							BODILY INJURY (Per person)		
ALL OWNED SCHEDULE AUTOS)						800(LY INJURY (Per acciden	it) \$	
HIRED AUTOS NON-OWNE	D						PROPERTY DAMAGE (Per accident)	s	
								s	
UMBRELLA LIAB OCCUR							EACH OCCURRENCE	s	
EXCESS LIAB CLAIMS	MADE						AGGREGATE	\$	
DED RETENTION\$		1					**************************************	\$,
WORKERS COMPENSATION							X WC STATU- OTH		
AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE	Y/N		14/0 00 00 04 0 00		40/04/0040	40/04/0044	E.L. EACH ACCIDENT	s	1,000,000
OFFICER/MEMBER EXCLUDED?	N/A	1	WC 90-00-818-03		12/31/2013	12/31/2014	E.L. DISEASE - EA EMPLOYE	E 5	1,000,000
If yes, describe under DESCRIPTION OF OPERATIONS below							E.L, DISEASE - POLICY LIMIT		1,000,000
		i	"						
			Location Coverage Period	od:	12/31/2013	12/31/2014	Client# 053771		
DESCRIPTION OF OPERATIONS / LOCATIONS / Spectrum Und 1876 B Barber only those employees leased to but not subcontractors of:	erground i Road #20	nc	, ACORD 101, Additional Remarks 5	Schedule ITB#2	, , If more space Is 986-14 Water N	required) Main Replacem	ent Phase 2		
CERTIFICATE HOLDER				CANC	ELLATION		· · · · · · · · · · · · · · · · · · ·		
City of Venice 401 West Venice Ave Venice, FL 34285				SHC THE ACC	OULD ANY OF EXPIRATION CORDANCE WI	I DATE THI TH THE POLIC	ESCRIBED POLICIES BE EREOF, NOTICE WILL LY PROVISIONS.		
				AUTHO	RIZED REPRESE	1			



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 8/15/2014

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

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

PRODUCER		CONTACT Certificates	
Purmort & Marti	n Insurance Agency LLC	PHONE [A/C, No. Ext): (941) 366-7070 FAX [A/C, No.]: (941)	953-4901
2301 Ringling E	Soulevard	E-MAIL ADDRESS: patti@purmort.com	
		INSURER(S) AFFORDING COVERAGE	NAIC#
Sarasota	FL 34237	INSURER A : Southern Owners	10190
INSURED		INSURER B : National Indemnity Co of the	42137
Spectrum Underg	round, Inc.	INSURER C:	
1876 Barber Roa	ıd	INSURER D :	
Suite 200-B		INSURER E :	
Sarasota	FL 34240	INSURER F :	
COVERAGES	CERTIFICATE NUMBER:201	4-15 Liability 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.

	T T T T T T T T T T T T T T T T T T T		SUBR				J.		
INSR LTR	TYPE OF INSURANCE	INSR	WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMIT	rs	
	GENERAL LIABILITY		x				EACH OCCURRENCE	\$	1,000,000
	X COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (E8 occurrence)	s	300,000
A	CLAIMS-MADE X OCCUR	Х		20107373	3/30/2014	3/30/2015	MED EXP (Any one person)	\$	10,000
							PERSONAL & ADV INJURY	\$	1,000,000
							GENERAL AGGREGATE	\$	2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:			П			PRODUCTS - COMP/OP AGG	\$	2,000,000
i .	X POLICY PRO-		i		1			\$	
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	\$	1,000,000
В	ANY AUTO						BODILY (NJURY (Per person)	\$	
_	ALL OWNED X SCHEDULED AUTOS	х		74APS047538	3/30/2014	3/30/2015	BODILY INJURY (Per accident)	\$	
	HIRED AUTOS NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	\$	
<u> </u>							Uninsured motorist 81-single	\$	30,000
	X UMBRELLA LIAB X OCCUR						EACH OCCURRENCE	\$	5,000,000
A	EXCESS LIAB CLAIMS-MADE		İ				AGGREGATE	5	5,000,000
<u> </u>	DED X RETENTIONS 10,000		<u> </u>	4944443601	3/30/2014	3/30/2015		\$	
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N						WC STATU- OTH- TORY LIMITS ER	<u> </u>	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?	N/A					E.L. EACH ACCIDENT	\$	
	(Mandatory In NH)						E.L. DISEASE - EA EMPLOYEE	\$	
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - POLICY LIMIT	\$	
l				•					i

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required) City of Venice/Water Main Restoration/Phase II Project Name:

CERTIFICATE HOLDER	CANCELLATION
psunquist@spectrumundergro The City of Venice 401 W Venice Avenue	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
	J Purmort II/CHERYC

COMMENTS/REMARKS						
City of Venice, its Elected Officials, Officers, Agents, Employees are additional insured in regards to the general liability with waiver of subrogation per the forms attached and additional insured on the auto.						

OFREMARK

COPYRIGHT 2000, AMS SERVICES INC.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM.

A. Under SECTION II - WHO IS AN INSURED, the following is added:

A person or organization is an Additional Insured, only with respect to liability arising out of "your work" for that Additional Insured by or for you:

- If required in a written contract or agreement; or
- 2. If required by an oral contract or agreement only if a Certificate of Insurance was issued prior to the loss indicating that the person or organization was an Additional Insured.
- B. Under SECTION III LIMITS OF INSURANCE, the following is added:

The limits of liability for the Additional Insured are those specified in the written contract or agreement between the insured and the owner, lessee or contractor or those specified in the Certificate of Insurance, if an oral contract or agreement, not to exceed the limits provided in this policy. These limits are inclusive of and not in addition to the limits of insurance shown in the Declarations

- C. SECTION IV COMMERCIAL GENERAL LIABILITY CONDITIONS, is amended as follows:
 - The following provision is added to 4. Other Insurance:

This insurance is primary for the Additional Insured, but only with respect to liability arising out of "your work" for that Additional Insured by or for you. Other insurance available to the Additional Insured will apply as excess insurance and not contribute as primary insurance to the insurance provided by this endorsement.

2. The following provision is added:

Other Additional Insured Coverage Issued By Us

If this policy provides coverage for the same loss to any Additional Insured specifically shown as an Additional Insured in another endorsement to this policy, our maximum limit of insurance under this endorsement and any other endorsement shall not exceed the limit of insurance in the written contract or agreement between the insured and the owner, lessee or contractor, or the limits provided in this policy, whichever is less. Our maximum limit of insurance arising out of an "occurrence", shall not exceed the limit of insurance shown in the Declarations, regardless of the number of insureds or Additional Insureds.

All other policy terms and conditions apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY PLUS ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

1. EXTENDED WATERCRAFT LIABILITY

Under SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, g., exclusion (2) is deleted and is replaced by the following:

- (2) A watercraft you do not own that is:
 - (a) Less than 50 feet long; and
 - (b) Not being used to carry persons or property for a charge;

2. HIRED AUTO AND NON-OWNED AUTO LIABILITY

Coverage for "bodily injury" and "property damage" liability provided under SECTION I COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, is extended as follows under this item, but only if you do not have any other insurance available to you which affords the same or similar coverage.

Coverage

We will pay those sums the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" arising out of the maintenance or use of an "auto":

- a. You do not own;
- b. Which is not registered in your name; or
- Which is not leased or rented to you for more than ninety consecutive days

and which is used in your business.

Exclusions

With respect to only HIRED AUTO AND NON-OWNED AUTO LIABILITY, the exclusions which apply to SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, other than the Nuclear Energy Liability Exclusion Endorsement, do not apply. The following exclusions apply to this coverage:

This coverage does not apply to:

- a. "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.
- b. Any obligation of the insured under a workers compensation, disability benefits or unemployment compensation law or any similar law.
- c. (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) That are, or are contained in any property that is:
 - Being transported or towed by, handled or prepared for placement into or upon, or taken from the "auto";

- 2) Otherwise in the course of transit by you or on your behalf; or
- Being disposed of, stored, treated or processed into or upon the "auto":
- (b) Before such "pollutants" or property containing "pollutants" are moved from the place they are accepted by you or anyone acting on your behalf for placement into or onto the "auto"; or
- (c) After such "pollutants" or property containing "pollutants" are removed from the "auto" to where they are delivered, disposed of or abandoned by you or anyone acting in your behalf.
- c. (1) (a) above does not apply to "pollutants" that are needed or result from the normal mechanical, electrical or hydraulic functioning of the "auto" or its parts, if the discharge, release, escape, seepage, migration or dispersal of such "pollutants" is directly from a part of the "auto" designed to hold, store, receive or dispose of such "pollutants" by the "auto" manufacturer.
- c. (1) (b) and c. (1) (c) above do not apply, if as a direct result of maintenance or use of the "auto", "pollutants" or property containing "pollutants" which are not in or upon the "auto", are upset, overturned or damaged at any premises not owned by or leased to you. The discharge, release, escape, seepage, migration or dispersal of the "pollutants" must be directly caused by such upset, overturn or damage.
- (2) Any loss, cost or expense arising out of any:
 - (a) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or

- (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".
- d. "Bodily injury" or "property damage" however caused, arising directly or indirectly, out of:
 - (1) War, including undeclared or civil war;
 - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
- e. "Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:
 - (1) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. However, if the insurance under this policy does not apply to the liability of the insured, it also does not apply to such liability assumed by the insured under an "insured contract".
 - (2) That the insured would have in the absence of the contract or agreement.
- f. "Property damage" to:
 - (1) Property owned or being transported by, or rented or loaned to any insured; or
 - (2) Property in the care, custody or control of any insured

other than "property damage" to a residence or a private garage by a private passenger "auto" covered by this coverage.

- g. "Bodily injury" to:
 - (1) An "employee" of the insured arising out of and in the course of employment by the insured; or
 - (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to:

- (1) Liability assumed by the insured under an "insured contract".
- (2) "Bodily injury" to any "employee" of the insured arising out of and in the course of his domestic employment by the insured unless benefits for such injury are in whole or in part either payable or required to be provided under any workers compensation law.

Who Is An Insured

With respect to only this coverage, **SECTION II - WHO IS AN INSURED**, is deleted and replaced by the following:

SECTION II - WHO IS AN INSURED

Each of the following is an insured with respect to this coverage:

a. You.

- b. Your partners if you are designated in the Declarations as a partnership or a joint venture.
- c. Your members if you are designated in the Declarations as a limited liability company.
- d. Your "executive officers" if you are designated in the Declarations as an organization other than a partnership, joint venture or limited liability company.
- e. Any person using the "auto" and any person or organization legally responsible for the use of an "auto" not owned by such person or organization, provided the actual use is with your permission.

None of the following is an insured:

- a. Any person engaged in the business of his or her employer with respect to "bodily injury" to any co-"employee" of such person injured in the course of employment.
- b. Any person using the "auto" and any person other than you, legally responsible for its use with respect to an "auto" owned or registered in the name of:
 - (1) Such person; or
 - (2) Any partner or "executive officer" of yours or a member of his or her household; or
 - (3) Any "employee" or agent of yours who is granted an operating allowance of any sort for the use of such "auto".
- c. Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate.
- d. The owner or lessee (of whom you are a sublessee) of a hired "auto" or the owner of an "auto" you do not own or which is not registered in your name which is used in your business or any agent or employee of any such owner or lessee.

e. Any person or organization with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

Additional Definitions

The following definition applies to only this coverage:

"Auto business" means the business or occupation of selling, repairing, servicing, storing or parking "autos".

Limits of Insurance

With respect to only this coverage, **SECTION III - LIMITS OF INSURANCE**, is deleted and replaced by the following:

SECTION III - LIMITS OF INSURANCE

- a. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - (1) Insureds;
 - (2) Claims made or "suits" brought; or
 - (3) Persons or organizations making claims or bringing "suits".
- b. We will pay damages for "bodily injury" or "property damage" up to the limits of liability stated in the Declarations for this coverage. Such damages shall be paid as follows:
 - (1) When Hired Auto and Non-Owned Auto Each Occurrence Limit is shown in the Declarations, such limit is the total amount of coverage and the most we will pay for all damages because of or arising out of all "bodily injury" and "property damage" in any one "occurrence".
 - (2) When Bodily Injury Hired Auto and Non-Owned Auto Each Occurrence Limit and Property Damage Hired Auto and Non-Owned Auto Each Occurrence Limit are shown in the Declarations:

- (a) The limit shown for Bodily Injury Hired Auto and Non-Owned Auto Each Occurrence is the total amount of coverage and the most we will pay for all damages because of or arising out of all "bodily injury" in any one "occurrence".
- (b) The limit shown for Property Damage Hired Auto and Non-Owned Auto Each Occurrence is the total amount of coverage and the most we will pay for all damages because of or arising out of all "property damage" in any one "occurrence".

3. BROADENED SUPPLEMENTARY PAYMENTS

Under SECTION I - COVERAGES, COVERAGE A.
BODILY INJURY AND PROPERTY DAMAGE
LIABILITY, COVERAGE B. PERSONAL INJURY
AND ADVERTISING INJURY LIABILITY and
SUPPLEMENTARY PAYMENTS - COVERAGES A
AND B:

Paragraph 4., the amount we will pay for the actual loss of earnings is increased from \$250 per day to \$400 per day.

4. ADDITIONAL PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT

If the endorsement, EXCLUSION - PRODUCTS COMPLETED OPERATIONS HAZARD, CG 21 04, is not attached to this policy, then the following is added to **SECTION III - LIMITS OF INSURANCE**:

Commencing with the effective date of this policy, we will provide one additional Products-Completed Operations Aggregate Limit, for each annual period, equal to the amount of the Products-Completed Operations Aggregate Limit shown in the Declarations. The maximum Products-Completed Operations Aggregate Limit for any annual period will be no more than two times the original Products-Completed Operations Aggregate Limit.

5. PERSONAL INJURY EXTENSION

- a. If the endorsement EXCLUSION PERSONAL INJURY AND ADVERTISING INJURY, 55350, is attached to this policy, then this provision, 5. PERSONAL INJURY EXTENSION, does not apply.
- b. If the endorsement EXCLUSION PERSONAL INJURY AND ADVERTISING INJURY, 55350, is not attached to this policy, then under SECTION V - DEFINITIONS, 15. "Personal injury" is deleted and replaced by the following:
 - **15.** "Personal injury" means, other than "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication of material that violates a person's right of privacy; or
 - f. Discrimination, humiliation, sexual harassment and any violation of civil rights caused by such discrimination, humiliation or sexual harassment.

6. BROADENED KNOWLEDGE OF OCCURRENCE

Under SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS. 2. Duties in The Event Of

Occurrence, Offense, Claim Or Suit, the following paragraph is added:

Paragraphs a. and b. of this condition will not serve to deny any claim for failure to provide us with notice as soon as practicable after an "occurrence" or an offense which may result in a claim:

- a. If the notice of a new claim is given to your "employee"; and
- **b.** That "employee" fails to provide us with notice as soon as practicable.

This exception shall not apply:

- a. To you; or
- b. To any officer, director, partner, risk manager or insurance manager of yours.

7. DAMAGE TO PREMISES RENTED TO YOU

Under SECTION 1 - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, the last paragraph is deleted and replaced by the following:

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke or water damage to premises rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in 7. DAMAGE TO PREMISES RENTED TO YOU, a. Limits of Insurance.

The following additional exclusions apply to "property damage" arising out of Water Damage to premises rented to you or temporarily occupied by you with permission of the owner:

- (1) "Property damage" to:
 - (a) The interior of the premises caused by or resulting from rain or snow, whether driven by wind or not; or
 - (b) Heating, air conditioning, plumbing or fire protection systems, or other equipment or appliances.

- (2) "Property damage" caused by or resulting from any of the following:
 - (a) Mechanical breakdown, including bursting or rupture caused by centrifugal force;
 - (b) Cracking, settling, expansion or shrinking:
 - (c) Smoke or smog;
 - (d) Birds, insects, rodents or other animals:
 - (e) Wear and tear;
 - (f) Corrosion, rust, decay, fungus, deterioration, hidden or latent defect or any quality in property that causes such property to destroy or damage itself; or
 - (g) Water that flows or leaks from any heating, air conditioning, plumbing or fire protection system caused by or resulting from freezing, unless:
 - You make a reasonable effort to maintain heat in the building or structure; or
 - You drain the equipment and shut off the water supply if the heat is not maintained.
- (3) "Property damage" caused directly or indirectly by any of the following:
 - (a) Water that backs up from a drain or sewer;
 - (b) Mud flow or mudslide;
 - (c) Volcanic eruption, explosion or effusion:
 - (d) Any earth movement, such as earthquake, landslide, mine subsidence, earth sinking, earth rising or earth shifting;

- (e) Regardless of the cause, flood, surface water, waves, tides, tidal waves, storm surge, overflow of any body of water, or their spray, all whether wind driven or not;
- (f) Water under the ground surface pressing on, or seeping or flowing through:
 - Walls, foundations, floors or paved surfaces;
 - Basements, whether paved or not; or
 - 3) Doors, windows or other openings.
- (4) "Property damage" for which the insured is obligated to pay as damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of this contract or agreement.

a. Limits of insurance

With respect to this coverage only, under **SECTION III - LIMITS OF INSURANCE**, paragraph **6.** is deleted and replaced by the following:

- 6. The most we will pay under Coverage A for damages because of "property damage" to premises rented to you or temporarily occupied by you with permission of the owner arising out of or caused by fire, lightning, explosion, smoke and water damage is the amount shown in the Declarations under Damage to Premises Rented to You.
- b. Under SECTION IV COMMERCIAL GENERAL LIABILITY CONDITIONS, 4. Other Insurance, paragraph b., the word fire is amended to include fire, lightning, explosion, smoke or water damage.
- 8. BLANKET ADDITIONAL INSURED LESSOR OF LEASED EQUIPMENT

- a. SECTION II WHO IS AN INSURED is amended to include as an additional insured any person or organization with whom you have agreed:
 - In a written contract or agreement, executed prior to loss, to name as an additional insured; or
 - (2) In an oral contract or agreement, executed prior to loss, to name as an additional insured only if a Certificate of Insurance was issued prior to loss indicating that the person or organization was an additional insured

but only with respect to liability for:

- (1) "Bodily injury";
- (2) "Property damage";
- (3) "Personal injury"; or
- (4) "Advertising injury"

caused in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

- b. With respect to the insurance afforded to an additional insured, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.
- c. The following is added to SECTION III -LIMITS OF INSURANCE:

The Limits of Insurance for the additional insured are those specified in the written contract or agreement between the insured and the lessor, not to exceed the limits provided in this policy. These limits are inclusive of and not in addition to the Limits of Insurance shown in the Declarations.

9. BLANKET ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES

a. SECTION II - WHO IS AN INSURED is amended to include as an additional insured any person or organization with whom you have agreed:

- (1) In a written contract or agreement, executed prior to loss, to name as an additional insured; or
- (2) In an oral contract or agreement, executed prior to loss, to name as an additional insured only if a Certificate of Insurance was issued prior to loss indicating that the person or organization was an additional insured

but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you.

- b. This provision is subject to the following additional exclusions, applicable to this provision only:
 - (1) Any "occurrence" which takes place after you cease to be a tenant in that premises.
 - (2) Structural alterations, new constructions or demolition operations performed by or on behalf of the additional insured.
- c. The following is added to SECTION III LIMITS OF INSURANCE:

The Limits of Insurance for the additional insured are those specified in the written contract or agreement between the insured and the manager or lessor of the premises, not to exceed the limits provided in this policy. These limits are inclusive of and not in addition to the Limits of Insurance shown in the Declarations.

10. NEWLY FORMED OR ACQUIRED ORGANIZATIONS

Under **SECTION II - WHO IS AN INSURED**, Paragraph **4.** is deleted and replaced by the following:

4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage B does not apply to "personal injury" or "advertising injury" arising out of an offense committed before you acquired or formed the organization.

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.

11. BLANKET WAIVER OF SUBROGATION

The following is added to SECTION IV - COM-MERCIAL GENERAL LIABILITY CONDITIONS, 8. Transfer Of Rights of Recovery Against Others To

When you have agreed to waive your right of subrogation in a written contract, executed prior to loss, with any person or organization, we waive any right to recovery we may have against such person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard".

All other policy terms and conditions apply.

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Page 8 of 8

This is the front page of the performance/payment bond issued in compliance with Florida Statute Chapter 255.05

Surety Name:

Fidelity & Deposit Company of Maryland

1400 American Lane Schaumburg, IL 60196

847-605-6000

Bond Number:

PRF764133200

Contractor Name:

Spectrum Underground, Inc.

1876B Barber Rd, Suite 200

Sarasota, FL 34240

941-342-6708

Owner Name:

City of Venice

401 West Venice Ave Venice, FL 34285

Project Number:

ITB#2986-14

Project Description: City of Venice/Water Main Replacement, Phase 2

Project Address:

Venice, FL

Legal Description of Property:

ITB #2986-14 Water Main Replacements, Phase 2

This is the front page of the bond. All other pages are subsequent regardless of the pre-printed numbers.

PUBLIC WORKS PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS:

THAT Spectrum Underground, Inc. , a Florida Corporation, as Principal, hereinafter called Contractor; and Fidelity and Deposit Company of Maryland a corporation of the State of Maryland , a surety, hereinafter called Surety, are held and firmly bound unto the City of Venice as Obligee, hereinafter called the City in the amount of: Med Million Sixty Six Thousand Six Hundred Seventeen and 00/100 Dollars (\$1,066.617.00) for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.	
WHEREAS, Contractor has by written agreement dated the day of , 2014, entered into a Contract with the City for the following described project: ITB# 2986-14: Water Main Replacement, Phase 2 which contract is incorporated by reference herein and made a part hereof, and is hereinafter referred to as the Contract.	
NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Contractor shall promptly make payments to all persons supplying Contractor labor, materials and supplies, used directly or indirectly by the Said Contractor or Subcontractors in the prosecution of the work provided for in said Contract, then this obligation shall be null and void; otherwise it shall remain in full force and effect.	
PROVIDED FURTHER, that the said Surety for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder or the Specifications accompanying the same shall in anyway affect its obligation on this Bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the work or to the Specifications.	
PROVIDED FURTHER, that this bond is issued pursuant to Section 255.05, Florida Statutes, and reference is hereby made to the notice and time limitations in said statute for making claims against this bond.	
PROVIDED FURTHER, that any suit under this bond must be instituted before the expiration of one (1) year from the performance of the labor or completion of delivery of the materials or supplies.	
PROVIDED FURTHER, no right of action shall accrue on this bond to or for the use of any person or corporation other than the City named herein and those persons or corporations provided for the Section 255.05, Florida Statutes, their heirs, executors, administrators, successors or assigns.	
Signed and sealed thisday of, A.D., 2014.	
CONTRACTOR By: Spectrum Underground, Inc. IN PINE PRESENCE OF: INSURANCE COMPANY By: Agent and Attorney in Fact Gerald J. Arch	

PUBLIC WORKS PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

THAT, Spectrum Underground,		as	
hereinafter called Contractor; and	Fidelity and Deposit Company of Mary		
the State of Maryland		called Surety,	, are held and
firmly bound unto the City of Ve	enice as Obligee, hereinafter calle	ed the City, i	in the amount
of One Million Sixty Six Thousand Six	Hundred Seventeen and 00/100	Dollars	
(\$ 1,066,617.00) for the pa	yment whereof Contractor and Su	irety bind the	mselves, their
heirs, executors, administrators, s	uccessors and assigns, jointly and	severally, fi	rmly by these
presents.		-	
	y written agreement dated this		
day of, 2014, entered	d into a Contract with the City for	the following	described
project: ITB# 2986-14: Water M	ain Replacement, Phase 2 which	contract is by	/ reference
incorporated herein and made a pa	rt hereof, and is hereinafter referre	d to as the Co	ontract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that if Contractor shall promptly and faithfully perform Contract during the original term thereof and any extensions thereof which may be granted by the City with or without notice to the Surety and during any guarantee or warranty period, including the obligation to correct any latent defects not discovered until after acceptance of the project by the City, and if he shall satisfy all claims and demands incurred under said Contract and shall fully indemnify and save harmless the City, its agents, Engineer and employees from all losses, damages, expenses, costs and Attorney's Fees, including appellate proceedings which it may suffer by reason of failure to do so, and shall reimburse and repay the City all outlay and expense which the City may incur in making good any default, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

PROVIDED FURTHER, whenever Contractor shall be, and declared by the City to be in default under the Contract, the City having performed its obligations thereunder, the Surety may promptly remedy the default, or shall promptly:

- (1) Complete the Contract in accordance with its terms and conditions; or
- (2) Obtain a bid or bids for submission to the City for completing the Contract in accordance with its terms and conditions and upon determination by the City and Surety of the lowest responsible bidder, arrange for a contract between such bidder and City and make available as work progresses (even though there should be a default or a succession of defaults under the Contract or Contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price; but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the contract price", as used in this paragraph, shall mean the total amount payable by the City to Contractor under the Contract and any amendments thereto, less the amount properly paid by the City to the Contractor.

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

PROVIDED FURTHER, any suit under this bond must be instituted before the expiration of two (2) years from the date on which final payment under the Contract falls due; except that, when the action involves a latent defect, suit must instituted within four (4) years from the time the defect is discovered or should have been discovered with the exercise of due diligence.

PROVIDED FURTHER, no right of action shall accrue on this bond to or for the use of any person or corporation other than the City, its successors or assigns.

Signed and sealed this	day of	, A.D., 2014.

IN THE PRESENCE OF:

CONTRACTOR

By: Spectrum Underground, Inc.

INSURANCE COMPANY

By: Agent and Attorney-in-Fact Gerald J. Arch

ZURICH AMERICAN INSURANCE COMPANY COLONIAL AMERICAN CASUALTY AND SURETY COMPANY FIDELITY AND DEPOSIT COMPANY OF MARYLAND POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Maryland, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Maryland (herein collectively called the "Companies"), by THOMAS O. MCCLELLAN, Vice President, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint Gerald J. ARCH, James F. MURPHY, Michael A. HOLMES and Marcus Lee STEVENS, all of Ft. Lauderdale, Florida, EACH its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: any and all bonds and undertakings, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland., and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland., in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 5th day of July, A.D. 2013.

ATTEST:

ZURICH AMERICAN INSURANCE COMPANY COLONIAL AMERICAN CASUALTY AND SURETY COMPANY FIDELITY AND DEPOSIT COMPANY OF MARYLAND







B₁

Assistant Secretary Gregory E. Murray Vice President
Thomas O. McClellan

State of Maryland City of Baltimore

On this 5th day of July, A.D. 2013, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, THOMAS O. MCCLELLAN, Vice President, and GREGORY E. MURRAY, Assistant Secretary, of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, deposeth and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

Constance a Durn

Constance A. Dunn, Notary Public My Commission Expires: July 14, 2015