

MASTER AGREEMENT

THIS MASTER AGREEMENT (collectively with all Appendices, this **“Agreement”**) is effective as of 2/27/24 (the **“Master Effective Date”**) by and between **TEHAMA COUNTY**, located at 727 Oak Street, Red Bluff, CA hereafter referred to as **“Client”**, and **SIGHTLINES, LLC, A GORDIAN COMPANY** located in Greenville, SC 29615, hereafter referred to as **“Sightlines”**.

In consideration of the mutual covenants set forth in this Agreement, Sightlines and the Client mutually agree as follows:

1. General Purpose of This Agreement. Client desires to have Sightlines perform, and Sightlines is willing to perform, certain data collection, comparison and related services; and.

2. Appendices. The following schedules are hereby incorporated in this Agreement by this reference (each an **“Appendix”**).

Appendix	Description
I	General Terms and Conditions
II	Proposal for Strategic Capital Planning

3. Additions and Amendments. Sightlines and Client may add additional Appendices, riders and/or other addenda, or amend or delete any then-existing Appendices, riders and/or other addenda, upon the mutual written agreement of Sightlines and Client. Upon the execution of any Proposal (as defined in Paragraph 1 of the General Terms and Conditions), such Proposal shall be deemed added to Appendix II hereto.

IN WITNESS WHEREOF, Sightlines and Client, by and through their duly authorized representatives, have entered into this Agreement effective as of the Master Effective Date.

TEHAMA COUNTY

SIGHTLINES, LLC

By: _____

By: _____

Name: Gabriel Hydrick

Name:

Title: Chief Administrator

Title:

Date:

Date:

Appendix I

GENERAL TERMS AND CONDITIONS

1. **SCOPE OF WORK.** Sightlines and Client will develop and enter into one or more Proposals incorporating a description of the specific services requested by Client (each, and as modified by the parties from time to time, a “**Proposal**”). Each Proposal will set forth project scope, schedule, the functional requirements and specifications of any work product, various project activities and tasks to be performed by the parties, payment terms, deliverables, and roles and responsibilities of the parties. Sightlines will provide the professional services and/or items described in each Proposal (the “**Services**”). Upon the execution of each Proposal, such Proposal and this Agreement shall be read and interpreted as one agreement, provided that, to the extent there are any conflicts between this Agreement and any Proposal, for purposes of clarity and avoidance of confusion, this Agreement controls. The Services to be performed by Sightlines hereunder are in the nature only of a compilation by Sightlines of data provided by Client for which Client is solely responsible as to both the accuracy and completeness of such data.
2. **AGREEMENT TERM.** This Agreement shall commence on the Master Effective Date and shall continue until terminated pursuant to Paragraph 13 below.
3. **COMPENSATION AND REIMBURSEMENT.** As to any Services, Client will pay fees to Sightlines for such Services, and reimburse Sightlines for expenses related to such Services, as set forth in the applicable Proposal therefor. Sightlines shall, from time to time, deliver to Client invoices setting forth any and all such fees and reimbursable expenses which shall be payable within thirty (30) days after each invoice is submitted to Client by Sightlines. If Sightlines does not receive payment in full within thirty (30) calendar days of the date of any invoice, unpaid delinquent balances shall bear interest from the invoice date at one and one-half percent (1.5%) per month, or at the maximum lawful interest rate (whichever rate is less). If any such delinquency occurs, Sightlines may, at its option (and without relieving Client from its payment obligation), revoke and disclaim Client’s right to utilize any report delivered pursuant to any Proposal and all other rights of Client hereunder, until payment in full is made. Client shall be liable to Sightlines for all costs and expenses of collection, including reasonable attorneys’ fees and court costs with respect to any delinquent payment.
4. **DELAYS AND EXTENSIONS OF TIME.** If Sightlines is delayed at any time in the commencement or progress of any Services by an act or neglect of Client, or a third party employed or engaged by Client, or by changes ordered by Client in the Services, or by a Force Majeure Event (as defined below), or by other causes which may justify delay, the schedules for deliverables/milestones of any Services shall be extended for such reasonable time as is necessary under the circumstances. A “**Force Majeure Event**” is an event beyond the control of Sightlines, including (without limitation) war, terrorism, civil unrest, blockades, boycotts, strikes, lock-outs and other general labor disputes, acts of government or public authorities, natural disasters, exceptional weather conditions, breakdown or general unavailability of transport facilities, accidents, fire, explosions and general shortages/fluctuations/failures of energy, and power surges.
5. **LIMITATION ON SCOPE OF SIGHTLINES’ ENGAGEMENT.** Client acknowledges and agrees that Sightlines’ engagement hereunder is limited to the assembly, analysis and comparison of data and information supplied by Client, and Sightlines is being engaged to assist Client’s development of a strategic direction statement rather than providing definitive recommendations or implementation actions. Therefore, Sightlines shall have no liability or obligation to Client or any third party based upon any reliance upon, application or use of any information or data or any reports furnished to Client by Sightlines. Client shall be solely responsible for the accuracy and completeness of data furnished by it to Sightlines, and Sightlines shall have no liability for information based upon inaccurate or incomplete information or data provided by Client.

6. **WARRANTIES.** In performing the Services, Sightlines shall exercise the degree of skill and care ordinarily exercised by a reasonable prudent consultant in the same field and in the same time frame given the same or similar facts and circumstances and may assume the accuracy and completeness of all data furnished by Client. **EXCEPT AS SET FORTH IN THE IMMEDIATELY PRECEDING SENTENCE AND PARAGRAPH 10 BELOW, SIGHTLINES MAKES NO WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES OR ANY OF ITS ORAL OR WRITTEN REPORTS. CLIENT ACKNOWLEDGES AND AGREES THAT: (I) THE SERVICES MAY REQUIRE JUDGMENTS TO BE MADE THAT ARE BASED UPON LIMITED DATA RATHER THAN UPON SCIENTIFIC CERTAINTIES; (II) SIGHTLINES APPROACH, AND FINDINGS, IF ANY, ARE BASED ON INDUSTRY PRACTICES AND AVERAGES; (III) OPINIONS ARE RENDERED WITH RESPECT TO OBSERVATIONS MADE AND DATA OBTAINED AT THE TIME OF ASSESSMENT; AND (IV) ULTIMATE OUTCOMES COULD BE INCONSISTENT WITH THE DATA AND TRENDS DEVELOPED BY SIGHTLINES.**
7. **CLIENT SUPPLIED DATA.** ALL INFORMATION REGARDING OPERATIONS, PLANS, SPECIFICATIONS, CONDITIONS OR TEST DATA WHICH IS PROVIDED TO SIGHTLINES BY CLIENT, (INCLUDING WITHOUT LIMITATION, ANY POINT OF CONTACT AT THE SITE), IS DEEMED BY SIGHTLINES TO BE CORRECT AND COMPLETE WITHOUT ANY INDEPENDENT VERIFICATION. SIGHTLINES SHALL NOT BE RESPONSIBLE FOR INCORRECT CONCLUSIONS OR RESULTS THAT ARE DERIVED FROM INCORRECT OR INCOMPLETE INFORMATION PROVIDED BY CLIENT.
8. **CLIENT RESPONSIBILITIES.** Client shall be responsible and liable for any damages, losses or liabilities incurred by Sightlines or any of its employees, contractors, subcontractors or agents to the extent a result of: (a) Client's non-compliance with any federal, state or local laws, or court or administrative order or decrees; or (b) deficiencies or adverse/unsafe conditions on, in or associated with Client's site, including the structures and other physical improvements located thereon.
9. **LIMITATIONS OF LIABILITY.** IN NO EVENT SHALL EITHER PARTY BE LIABLE TO OTHER FOR ANY EXEMPLARY, PUNITIVE, INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL (INCLUDING LOST PROFITS) DAMAGES ARISING FROM OR IN ANY WAY CONNECTED WITH ITS PERFORMANCE OR FAILURE TO PERFORM UNDER THIS AGREEMENT, EVEN IF THE AFFECTED PARTY HAS KNOWLEDGE OF THE POSSIBILITY OF SUCH DAMAGES.
10. **SAFE AND LAWFUL PERFORMANCE.** Sightlines shall use commercially reasonable efforts to ensure that all Services and/or work covered by this Agreement will comply with all applicable governmental laws, rules, regulations and ordinances.
11. **ASSIGNMENT.** Neither party shall have any right to assign this Agreement or any benefits arising from this Agreement without prior written consent of the other party (not to be unreasonably withheld, conditioned or delayed); and, unless otherwise agreed upon by the non-assigning party in writing, the right of any assignee shall be subject to all setoffs, counterclaims, and other comparable rights arising hereunder. Notwithstanding the foregoing, Sightlines (i) may assign its rights and obligations under this Agreement to Sightlines' affiliates, parent companies or subsidiaries to effect a corporate reorganization, consolidate with, or merge into, Sightlines' affiliates, parent companies or subsidiaries; and/or (ii) shall have the right to assign this Agreement in connection with the sale of all or substantially all of its assets. Any assignment in breach of this Paragraph shall, for the purposes of this Agreement, be null and void.
12. **INDEMNIFICATION.** Sightlines agrees to indemnify Client and to hold Client harmless from and against all claims, liability, loss, damage and expenses (including but not limited to legal fees) arising from or due to any claim which is based on patent or copyright infringement or alleged patent or copyright infringement with respect to all or any part of the Services and/or other work covered by this Agreement, and any litigation based on any such claim. Sightlines' obligation under this paragraph shall survive Client's acceptance of, and payment for, the Services and/or work. Pursuant to the same

terms and conditions as set forth in this Paragraph 12, and to the extent allowed by applicable law with respect to governmental or public Clients, Client shall indemnify Sightlines and hold it harmless from any liability, claims, damages or expenses due to the data furnished by Client to Sightlines being inaccurate or incomplete or for any breach by Client of its obligations under this Agreement.

13. TERMINATION.

- a.** Either party may terminate this Agreement (or any Services) in whole or in part for cause upon ninety (90) days written notice if the other fails to comply with any material term or condition of this Agreement and shall fail to correct such deficiency within such ninety (90) day period; provided that, notwithstanding the foregoing: (i) with respect to any breach of any payment obligation hereunder, the non-breaching party may terminate this Agreement upon fifteen (15) days written notice if the other fails to make such default payment within such fifteen (15) day period; and (ii) with respect to any breach (other than the aforementioned payment breach) the parties shall use good faith, commercially reasonable efforts after termination notice is delivered therefor to meet and discuss such breach, and attempt to resolve the same.
- b.** Upon termination of this Agreement, or any Services, Client shall be obligated to pay on or before the effective termination date any and all fees and reimbursable expenses accrued and payable as of the effective termination date.

14. DISPUTES. This Agreement shall be construed and enforced in accordance with the laws of the State of California; and any legal action or proceeding concerning this Agreement shall be brought in California.

15. NOTICE. All notices relating to this Agreement shall be in writing, shall be deemed given upon receipt, signed by the party giving or making such notice or communication, and shall be delivered by: (a) personal delivery; (b) facsimile transmission; (c) postage-prepaid certified or registered mail (airmail if available), return receipt requested; or (d) reliable, commercial overnight courier service to the following persons:

If to the Client:

Gabriel Hydrick

County of Tehama

727 Oak Street

Red Bluff, CA 96080

If to Sightlines:

Sightlines, LLC

Attn: Legal

30 Patewood Drive, Suite 350

Greenville, SC 29615

16. USE OF THE NAME OF CLIENT. CLIENT ACKNOWLEDGES THAT, IN ORDER FOR SIGHTLINES TO PROVIDE SERVICES TO CLIENT, AND PROVIDE SIMILAR SERVICES TO OTHER CLIENTS, IT IS NECESSARY TO IDENTIFY CLIENT AND OTHER CLIENTS. Sightlines agrees not to use the name of Client, or the name of any member of Client's staff, in sales promotion work or advertising, or in any form of publicity, without the written permission of Client except that (a) Sightlines shall have the right at all times, to use Client's name in connection with any published lists of other institutions furnishing data for comparison purposes, provided that the specific data applicable to Client shall not be identified or identifiable, (b) Sightlines may identify Client to other educational institutions as a client of Sightlines for marketing purposes, and (c) Sightlines may use Client's name in accordance with the End User License Agreement of Sightlines' Member Portal, the terms and conditions of which are hereby incorporated herein by reference thereto.

17. EXAMINATION. Sightlines agrees that the Client shall, until the expiration of three (3) years after the termination of this Agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of Sightlines involving transactions related to this Agreement.

18. ACCEPTANCE – ENTIRE AGREEMENT – CAPTIONS. This Agreement constitutes the entire agreement between the parties. Any and all prior offers by Client and Sightlines are withdrawn. In the event of any conflict between any term or provision set forth in this Agreement and any term or

provision set forth in any document provided by and between the parties in connection with this transaction, the term or provision set forth in this Agreement shall control. Captions in this Agreement are for convenience only, and do not define, limit, or expand the meaning of the captioned provisions.

19. **EQUAL EMPLOYMENT OPPORTUNITY.** To the best of its good faith belief, Sightlines, LLC is an equal opportunity employer and does not discriminate on the basis of race, color, national or ethnic origin, religion, gender, sexual orientation, age, or disability.
20. **NON-SOLICITATION.** During the term of this Agreement and for two (2) years after any termination of this Agreement, Client will not, without the prior written consent of Sightlines, either directly or indirectly solicit or attempt to solicit, divert or hire away any person employed by Sightlines.
21. **MISCELLANEOUS.**
 - a. If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, such provision shall be changed and interpreted so as to best accomplish the objectives of the original provision to the fullest extent allowed by law and the remaining provisions of this Agreement shall remain in full force and effect.
 - b. No modification, amendment or waiver of any provision of this Agreement shall be effective unless in writing signed by the party to be charged. No failure or delay by either party in exercising any right, power, or remedy under this Agreement shall operate as a waiver of any such right, power or remedy, nor shall any single or partial exercise by any party hereto of any right or remedy hereunder preclude any other or further exercise thereof or of any other right or remedy.
 - c. This Agreement shall be binding upon, and inure to the benefit of, the parties, their affiliated companies, subsidiaries, successors, and permitted assigns (if any), except as otherwise herein expressly provided. No person other than the parties, except governmental entities to the extent required by law or as otherwise herein expressly provided, shall be entitled to bring any action to enforce this Agreement, and the terms of this Agreement are intended solely for the benefit of, and to be enforceable only by, the parties or their respective successors in interest or assigns as permitted under this Agreement. Each party hereto warrants that each individual signing and initialing this Agreement on behalf of such party is authorized to execute this Agreement on behalf of each such respective party.
 - d. Except as specifically provided for in this Agreement, all remedies provided for in this Agreement are cumulative and are in addition to any right or remedies available to either party at law or in equity.



Proposal for Strategic Capital Planning

To: Tehama County

From: Sightlines, LLC

February 7, 2024

Senior Account Executive: David Tsung

Phone: 408.338.8131

Email: d.tsung@gordian.com



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Strategic Capital Planning Proposal

Executive Summary

The purpose of this document is to put forth a proposal for the strategic analysis of Tehama County's needs and investment priorities through our **Strategic Capital Planning** service. The goal of this service is to go beyond the traditional facilities condition assessment (FCA) and help Tehama County develop an actionable, long-term capital plan that aligns with your institutional mission and financial realities to ensure each dollar is allocated to the highest priorities.

Our work with hundreds of institutions annually gives us unparalleled perspective on facilities stewardship strategies. It is this perspective that allows us to firmly state **capital planning is more than just a project list**. Rather than simply "picking projects" from technical condition data, we will help you create a multi-year investment plan that aligns facilities and institutional priorities and engages decision-makers in a conversation about institutional mission and financial realities.

By taking a different, more strategic and portfolio-based approach to managing your capital needs, **Strategic Capital Planning** offers you the comprehensive solution you need to make facilities renewal more manageable and align facilities project selection with institutional goals to achieve optimal investment outcomes.

This proposal outlines in more detail how we will help you, our Strategic Capital Planning process and the depth of our partnership with you. A cost breakdown is also included.

We thank you for the opportunity to submit this proposal and look forward to working together!

Service Overview

Gordian has developed a series of tools that will assist you in defining a multi-year investment plan instead of simply picking projects. Gordian's SCP solution brings the concepts of financial investment and portfolio-based wealth management to the facilities world, treating each building and grounds feature as an investment-worthy asset rather than a financial liability. This strategic focus allows decision-makers to target investments that reflect the institution's mission and ensure each dollar is allocated to the highest priority.

Unlike traditional facilities assessments that may lead to disjointed project selection, our process builds transparency and constituency by engaging all levels of the organization from the boiler room to the board room. A focus on defined outcomes and total engagement builds confidence in the process and the anticipated results.

Gordian's SCP solution optimizes your limited resources by integrating the facilities organization, institutional mission and the finance office. To this end, there is a focus on flexibility in both the process and the tools to ensure the development of an actionable plan:

- **Step 1—Establish a Baseline.** Combining the tried-and-true approach of a Detailed Assessment with the technological approach of a Core Systems Assessment will allow for a holistic view of facilities needs that fits into any budget. ASTM-standard condition assessments (Detailed Assessment) for the buildings most in need of an in-depth analysis will provide visibility into

where issues are most acute. Highly customized life-cycle models of facilities (Core Systems Assessments) allow for ongoing monitoring and holistic planning without having to invest heavily into buildings which are not immediate concerns.

- **Step 2—Integrate Operational Perspectives.** Gordian harnesses the latent knowledge that exists on site by conducting interviews with facilities managers, frontline trades staff and other key stakeholders to validate our baseline data and ensure it is consistent with operational insight. This step helps us acquire operator input regarding the necessary repairs, priority, and timeframe, resulting in a more accurate list of facilities’ needs. Additionally, this step creates a sense of ownership with those ultimately responsible for the work and leads to an outcome with buy-in at every level of the institution.
- **Step 3—Create Building Portfolios.** Gordian will use your leadership’s goals and objectives to strategically segment your buildings into a portfolio of assets with similar functions, priorities, or other factors unique to you. Not all buildings are created equal, and our Building Portfolios process allows us to define areas of emphasis and provides a rationale for facilities funding distribution. This segmentation helps you form unique investment strategies and performance metrics that engage key stakeholders in a conversation about facilities, financial priorities and mission to accelerate decision-making.
- **Step 4—Develop a Multi-year Capital Plan.** With portfolios in place, Gordian supports resource allocation discussions and the creation of a capital investment plan. By adding an understanding of historical spending profiles, we can create outcome-based strategies that balance asset preservation with program adaptation in various financial scenarios to ensure practicality of results.
- **Step 5—Ongoing Project Selection.** Project selection is a combination of art and science. Gordian’s objective prioritization tools allow leadership to create and manage investment strategies that tie technical issues to vision and finance. Because they are objective, these tools help minimize the number of politically motivated decisions and allow facilities leaders to create constituency and manage change. By providing access and training for our Gordian Cloud portal, we enable the client to have control over the data and tools, ensuring the priorities remain in focus for project selection well into the future

Capital planning should not be a one-time exercise. Our solution is designed to complement your current planning systems: first by maintaining a live database so you can engage senior leadership as activity demands, and then by tracking performance to targets, which builds credibility for future appropriations.

The Process

Step 1—Establish a Baseline

Far too often, institutional leaders start a strategic process by fixating on individual details without fully understanding their significance to the total result. By streamlining the path to a prioritized plan, we help you avoid putting effort unnecessary and finances into assessments of buildings which are not critical to the institutional future.

Creation of Virtual Inventory

The first step in our process is the creation of a virtual building inventory by leveraging technology to accurately model the facilities. This baseline is created for buildings based on the level of detail required; Uniformat Level 5 for buildings which will receive a Detailed Assessment and Uniformat Level 3 for those which will receive a Core Systems Assessment. This baseline is built using experience from 20 years of facilities information within the Sightlines database and leverages over 50,000 buildings as reference points to build the framework. Costs and life cycles for the assessment are linked directly to the RSMMeans dataset, which is updated annually to ensure your cost data never becomes outdated

Detailed Assessment

To conduct a Detailed Assessment, Gordian professionals will perform walk-throughs for the buildings and site linear assets listed in Appendix B. The walk-throughs will include:

- Inventory of components pursuant to Uniformat II Level 5 detail, confirming location, relevant quantity information, and cyclical renewal needs. (See Appendix C for typical assemblies assessed).
- Visual inspection of items to determine functionality, condition and expected useful life adhering to ASTM 2018-15 condition assessment standards – not a full code review.
- Description of each deficiency, its cause and recommended remedial action.
- Preliminary estimates of cost of replacement and/or remediation.
- Photographs to document exteriors and critical deficiencies as appropriate.

Introduction and Setup on Gordian Cloud

To ensure the continued accuracy of the assessment data, Gordian makes our information accessible to you and your team through our online platform, Gordian Cloud. This web-based platform will be the central repository for all facilities' needs, strategic tools, and detailed assessment results as they are determined. An introduction to this platform will begin during the baselining stage but will continue throughout the partnership with Gordian. An ongoing engagement on the platform will be critical to the longevity and sustainment of the project results.

Step 2—Integrate Operational Perspectives

To harness the vast amount of latent knowledge held by your supervisors and trades staff, Gordian will conduct interviews with facilities managers and other knowledgeable individuals. We find these interviews invaluable to:

- Confirm and adjust assumptions in the Core Systems and Detailed Assessments.
- Confirm building and system alignment with operational objectives and direction.
- Validate life cycle and pricing estimates.
- Build operator confidence in the process, project recommendations and overall findings.

Supervisor interviews are an iterative process requiring equal involvement of the institution and Gordian staff. The time commitment required of local staff can vary, ranging from a few hours to a couple days. Because this stage runs through Gordian Cloud, these interviews can happen on-site or remotely through a web-meeting, if desired.

Step 3—Customize Strategy Tools

Successful long-term planning requires more than a technical baseline. Gordian uses an array of strategic concepts as tools to tie facilities projects to the mission and vision of leadership and to define a framework for reinvestment funding. The primary strategic and functional prioritization tools are outlined below though others may be added as necessary to ensure a robust toolkit.

Building Portfolios

Organizing buildings into a portfolio of assets provides the means to reflect existing priorities and future aspirations. The Building Portfolio structures are often strategic, functional, geographic or a locally appropriate combination of these attributes which best highlight areas of emphasis for funding distribution across the institution. This structure accelerates focus onto sequencing of future investments. Financial decisions made by leadership can then target investments toward one portfolio over another or across portfolios as appropriate to best reflect unique goals and tailored objectives. Projects can now happen in a transparently predictable fashion without the political pressures that sometimes exist within an organization.

Project Category

The classification of a project helps to differentiate between a “want” versus a “need.” Gordian uses “Repair & Maintenance” where replacement is done in-kind and at end of life; an example would be replacing a roof when it begins to leak. “Modernization” is used to describe an improvement or an addition; common examples of modernization work would be the addition of an elevator in a building to allow for accessibility, or the upgrade from a two-pipe heating system to a four-pipe heating and cooling system. “New Construction” needs are also clarified using Project Category to indicate that they too serve a different purpose than Repair & Maintenance or Modernization by adding to the overall footprint.

Project Package

After codifying each project to a building or architectural system, Gordian assigns each project to a broader project package. Planning at a higher level, project integration (e.g., window replacements and brick pointing together) creates efficiencies among previously isolated projects. Typical packages are Building Envelope, Building System, Infrastructure, Space Renewal and Safety/Code.

Timeframe

Our experiences have taught us that the sequencing of work is essential to aligning financing to successful project execution. Multi-year investment time frames (immediate investment needs, 1-3 years, 4-7 years, 8-10 years, etc.) establish useful investment horizons based on age and condition and can be clearly communicated to leadership and decision makers without committing to individual project years.

Investment Criteria

Additionally, Gordian uses Investment Criteria to help decision-makers understand the importance or impact of a project. Each project is assigned to one of five Investment Criteria:

- Reliability: Issues of imminent failure that may result in interruption to use of the space.
- Asset Preservation: Projects that preserve the integrity of the current function of an asset.

- **Safety/Code:** Code compliance issues and safety priorities or items that are not in conformance with current codes, even though the system is “grandfathered in” and exempt from current code.
- **Program Improvement:** Projects that improve the functionality of space, primarily driven by facility occupants. These projects also address local impact and image needs
- **Economic Opportunity:** Projects that result in a reduction of annual operating costs or capital savings.

Step 4—Develop a Multi-Year Capital Plan

The goal of the facility planning process is to define a plan that is credible, affordable and actionable. To accomplish this, Gordian engages leadership in an exercise that explores how the backlog came to exist, ties need to vision and investment drivers, and develops multi-year funding plans based on strategy-driven outcomes for specific groups of buildings. Successful facilities’ plans deliver a capital program that will manage the rate of backlog accumulation, guide future investment decisions and ensure the effective use of gains made by capital infusions.

Background

As facilities budgets continue to be stretched and strained, leaders are faced with difficult decisions. It’s not reasonable, or even fiscally responsible, to reduce the facilities backlog to zero, so the key is to define the backlog threshold that effectively manages facility risk. Gordian is not only able to communicate the size of the need, but we will explain how this need came to exist. An analysis of historical annual stewardship, capital investment and maintenance deferral will help outline forward strategy and assure previous errors are not repeated.

Frame the Outcome

We find that grouping projects within the five Investment Criteria categories outlined above is instructional in defining investment priorities. The process ties the raw project data to mission and objectives, effectively making the case for facilities funding through a balance of planned vision and current needs. This analysis can be communicated to and understood by all constituents in the institutional community in terms that are important to them.

Gordian uses Net Asset Value (NAV) as one important tool to help define outcomes by portfolio. Rather than describing building condition with the facilities focused FCI, NAV is financially focused and resonates with leaders who determine which facilities’ investments will be executed. Calculated as the replacement value less the total needs for the building divided by the replacement value, it represents the “percent good” remaining in the building. Equipped with NAV data by portfolio (and by building), Gordian will work with the key stakeholders and senior leadership to establish acceptable condition levels by portfolio.

A variety of methods are utilized to organize decisions made with the tools. One example below brings the Building Portfolio, Timeframe, and Investment Criteria together in a decision-making form to aid in setting investment priorities so leaders can move to the project selection phase of the process.

Portfolio / Investment Criteria	Backlog	A (1-3 Years)	B (4-7 Years)	C (8-10 Years)	Grand Total	% Invest	Investment Goal
Acad/Admin Portfolio	\$ 912,687	\$ 5,967,046	\$ 3,722,000	\$ 3,118,800	\$ 13,025,533		\$ 3,389,812
Reliability	\$ 299,835	\$ 366,465	\$ 23,800	\$ -	\$ 690,100	97%	\$ 669,397
Safety/Code	\$ 90,460	\$ 361,840	\$ 526,400	\$ 1,964,000	\$ 2,942,700	15%	\$ 441,405
Asset Preservation	\$ 53,722	\$ 1,020,711	\$ 98,000	\$ 303,600	\$ 1,476,033	0%	\$ -
Space Improvement	\$ 468,670	\$ 4,218,030	\$ 3,078,800	\$ 1,000,000	\$ 8,765,500	26%	\$ 2,279,030
Economic Opportunities	\$ -	\$ -	\$ -	\$ 51,200	\$ 51,200	0%	\$ -
Student Life Portfolio	\$ 1,507,420	\$ 4,371,730	\$ 9,341,900	\$ 4,561,700	\$ 19,782,750		\$ 6,522,221
Reliability	\$ 1,168,740	\$ 1,428,490	\$ 679,000	\$ -	\$ 3,276,230	79%	\$ 2,588,198
Asset Preservation	\$ 179,920	\$ 719,680	\$ 2,489,300	\$ 1,075,700	\$ 4,464,600	20%	\$ 892,520
Space Improvement	\$ 79,430	\$ 1,509,170	\$ 4,860,200	\$ 142,400	\$ 6,591,200	34%	\$ 2,241,008
Safety/Code	\$ 79,380	\$ 714,420	\$ 1,007,700	\$ 3,535,800	\$ 5,337,300	15%	\$ 800,595
Economic Opportunities	\$ -	\$ -	\$ 107,700	\$ 207,800	\$ 315,500	0%	\$ -
Repair Portfolio	\$ 3,038,227	\$ 6,749,509	\$ 5,806,200	\$ -	\$ 15,593,936		\$ 8,076,746
Reliability	\$ 2,837,520	\$ 3,468,080	\$ 5,806,200	\$ -	\$ 12,111,800	52%	\$ 6,298,136
Safety/Code	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
Asset Preservation	\$ 172,707	\$ 3,281,429	\$ -	\$ -	\$ 3,454,136	51%	\$ 1,761,609
Space Improvement	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
Economic Opportunities	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
Renovation Portfolio	\$ 4,506,266	\$ 14,548,811	\$ 9,059,525	\$ 8,617,131	\$ 36,731,733		\$ -
Reliability	\$ 3,509,588	\$ 4,289,496	\$ 7,309,675	\$ -	\$ 15,108,759	0%	\$ -
Safety/Code	\$ 386,331	\$ 1,545,324	\$ 384,700	\$ 5,308,131	\$ 7,624,486	0%	\$ -
Asset Preservation	\$ 313,087	\$ 5,986,651	\$ 968,500	\$ 3,156,000	\$ 10,424,238	0%	\$ -
Space Improvement	\$ 295,260	\$ 2,657,340	\$ 396,700	\$ 13,700	\$ 3,363,000	0%	\$ -
Economic Opportunities	\$ -	\$ 70,000	\$ -	\$ 139,500	\$ 209,500	0%	\$ -
Infrastructure Portfolio	\$ 263,120	\$ 3,473,380	\$ 2,191,500	\$ 46,300	\$ 5,972,500		\$ 1,142,573
Reliability	\$ 146,250	\$ 178,750	\$ -	\$ -	\$ 325,000	100%	\$ 325,000
Safety/Code	\$ 58,200	\$ 232,800	\$ 87,000	\$ 15,000	\$ 393,000	74%	\$ 290,820
Asset Preservation	\$ 55,000	\$ 1,045,000	\$ 8,500	\$ 31,300	\$ 1,139,800	97%	\$ 1,105,688
Space Improvement	\$ 1,870	\$ 16,830	\$ 2,096,000	\$ -	\$ 2,114,700	1%	\$ 21,147
Economic Opportunities	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
Small Business Portfolio	\$ 18,154	\$ 896,796	\$ 1,101,000	\$ 1,100,000	\$ 2,915,950		\$ 906,058
Reliability	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
Safety/Code	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
Asset Preservation	\$ 13,576	\$ 257,938	\$ 1,100,000	\$ 1,500,000	\$ 2,871,514	9%	\$ 258,436
Space Improvement	\$ 4,758	\$ 42,822	\$ -	\$ -	\$ 47,580	100%	\$ 47,580
Economic Opportunities	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
Total	\$ 10,216,808	\$ 83,411,237	\$ 81,028,175	\$ 18,444,131	\$ 99,099,846		\$ 20,020,888

Funding Goal	\$	25,000,000
Contig / Soft \$	20%	5,000,000
Net Available for Projects	\$	20,000,000

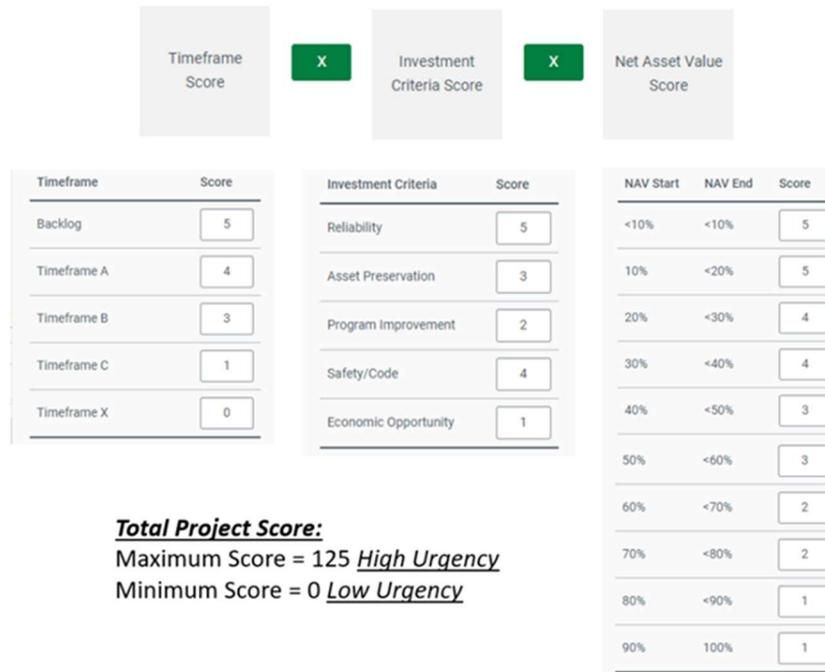
Step 5—Project Selection

With an investment plan by Portfolio established, the process of deciding which projects to accomplish and in what sequence can commence. This is an iterative process guided by the multi-year plan. Understanding that annual priorities shift and impact project selection, these decision tools become an integral part of the planning and prioritization process moving forward.

Project selection is a combination of art and science. Technical issues of priority and reliability dictate the science. Programming, funding, and the political environment guide the art.

Gordian will work with the institution to assign a custom scoring methodology to rank projects within buildings where a Detailed Assessment was conducted or those facilities which otherwise have component-level detail. Creating an effective array of project scoring factors will increase both the transparency and effectiveness in the project selection process.

Each project receives a score based on the overall condition of the building, the importance of investment criteria and timeframe. Scores are customized to fit the specific needs of the institution. For example, an entity that wishes to stress fire protection and ADA compliance, Safety/Code projects can be given a higher score relative to others. A sample scoring scheme is shown here.



In this example, projects will be considered more urgent if they are imminent issues within critical systems in high-need buildings. Gordian will work with leadership to help uniquely tailor the framework to the most effective and impactful set of project scoring factors. Our process includes tools that breaks ties for mid-range priorities.

Project Deliverables

Gordian deliverables are designed to effectively communicate findings to build broad support in the community and integrate with existing management systems. The results of the study are segmented between communication and physical deliverables.

Communication

Gordian will conduct four (4) on-site or remote presentations for the Strategic Capital Planning process:

- The first presentation will serve to review the summarized data from the building models, initial assessments and start the planning process. (Week #9 in Project Schedule)
- The second presentation will serve to review planning and funding scenarios. (Week # 13)
- The third presentation will be a review of the completed strategic capital plan and recommendations for next steps. (Week #17) This presentation will recommend a *strategic* course of action as well as:
 - > Provide context of historical funding levels and detail how the backlog came to exist.
 - > Give a summary level overview of facilities needs highlighting key strategic issues.
 - > Summarize Gordian's recommendation for a facilities reinvestment plan that ties to mission and available funding.
- As directed, the final presentation can be given to senior institutional leadership (e.g. CFO, President, Cabinet, Board) or the appropriate audience at your institution. (Week #20)

Virtual Deliverables

- Web-based access to inventory of projects/assets and all associated information: timeframe, cost, Uniformat code, investment criteria, etc.
- Web-based access to dashboards containing visual summaries of the inventory by building, Uniformat level and portfolio.
- Training for client-team on how to access and use web-based portal and ongoing support from Gordian.

Physical Deliverables

- A recommended ten-year project plan by investment criteria that ties to mission, operations and finance.
- PDF copies of all presentations delivered by the Gordian team throughout the timeline of the engagement.

Project Schedule

Typical Project Schedule

Gordian’s standard is a 20-week schedule to deliver our Strategic Capital Planning service. A draft timeframe is shown below. We can adjust our project calendar based on the needs of Tehama County. Timelines may be refined upon project acceptance based on mutual agreement of the parties. Achievement of the milestones and deliverables within this schedule is fully dependent upon the accessibility of buildings and the availability of staff and data.

Week #	Component	Milestones for this Week
4-week hold	Pre-Weeks, Kick-Off Presentation & System Setup	Schedule dates & times for all meetings Collect existing base data Introduce strategic tools Discuss common costing and life cycles
1	Building Walk-Throughs and System Setup	Buildings Inspected (ONSITE)
2-4	Data Processing	List skeleton built; inspection data entered
5	Supervisor Interviews	All interviews completed (REMOTE) Collect all capital planning documents - funding, projects, etc. Discuss investment objectives
6-8	Data Processing	All projects priced & codified (REMOTE) All interview follow-ups completed
9	Data Qualification Meeting	All follow-up questions addressed (ONSITE OR REMOTE) Finalized project inventory Introduction to Gordian Cloud
10-12	Data Refinement	All changes made (REMOTE)
13	Strategy Qualification Meeting	Finalized strategic tools (ONSITE REMOTE) Finalized portfolios Discuss funding availability
14-16	Data Cleanup	Preliminary Presentation built (REMOTE)
17	Preliminary Presentation	Capital Plan finalized (ONSITE OR REMOTE) Initial training for Gordian Cloud
18-19	Data Refinement	Final Presentation built
20	Final Presentation	(ONSITE OR REMOTE)

Scope of Work

The scope of work for Tehama County is detailed below. The costs associated with the scope of work are shown in the Professional Fees section of this document.

- Analysis includes the collection, qualification and presentation of data and capital plans for approximately 465,7627 GSF plus site linear assets located at 8 county parks.
- Walk-through assessment inventorying all interior, exterior, and mechanical assets for 64 buildings which are to receive Detailed Assessments. Walk-through assessment will also be conducted on site linear assets detailed in appendix B.
- Two qualification meetings with client experts:
 - > Assessment Data Qualification meeting to finalize facilities needs inventory.
 - > Strategy Qualification meeting to finalize strategy toolkit and capital plan.
- Identification and training around use of prioritization tools including Building Portfolios, Investment Criteria, and, for assessed buildings, Project Scoring.
- Final deliverables as outlined in the “Project Deliverables” section:
 - > Web-based access to project inventory and summary dashboards.
 - > Copies of all presentations used to review, qualify, and communicate the needs and plan.

Scope of Work – Optional Term 2 & 3

Gordian Performs Update (see next page for more specifics)

- Tehama County will retain software access to Gordian Cloud
- Gordian will update and re-define project timelines based on completed work and conduct cost updates
- Gordian to present refreshed capital planning data and findings, and will re-visit strategic tools to ensure alignment with current priorities
- Training and demos will be delivered by Gordian professionals directly to user
 - > Up to 2 hours of formal training will be included (on-site or remote at the request of the customer)
 - > Self-help tools will be available through the online platform

Tehama County Performs Update

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Optional Annual Program Updates

Since no organization ever fully funds the capital investment needed, the best measure of a program's success is the approval of the second, third, or later requests for funding. Credibility grows when all constituents agree that the program goals are attained, and promises kept. With credibility comes constituent support. With constituent support, funding continues. Key to building this credibility is the ability to measure performance, illustrate success, and demonstrate how actions are taken to serve changing priorities. As these priorities shift, Gordian's approach will allow for amendments to the strategic toolkit to keep the capital program in lock step with institutional objectives. Our approach to performance measurement is multi-faceted and includes the following:

- Documenting projects completed since plan approval
- Selecting additional projects which results from a subsequent year in the multi-year plan
- Evaluating operational improvements that result from proper project targeting
- Identifying projects that realize operational savings that can fund further stewardship investments
- Re-visiting strategic tools to ensure alignment with current institutional priorities

Gordian suggests an annual update process that independently confirms performance and demonstrates progress towards the attainment of goals. An additional benefit of this annual support is the discipline to quantify performance to the multiyear plan, to assure rigor in the project selection process, and to add value through discussions with professionals that bring an added perspective from actions at other locations. Ongoing annual support will include:

- Annual documentation of projects completed, their cost, and impact to the phase out plan
- Measurement of performance to defined targets and report progress
- Documenting and updating the project inventory for any "new" projects
- Support of the annual project selection process
- Amendment of the multi-year project plan
- Creation of an annual program document
- Trustee quality presentation

To keep the program performing and the power of facilities investment decision-making at your fingertips, Gordian will also continue to provide immersive access and support for the Gordian Cloud platform. This platform will house the most up-to-date information, keeping you seamlessly integrated into your capital planning data via reports, dashboards, and interactive tools.

Appendix A: Professional Fees

Tehama County 465,627 GSF Service
 Service Dates: April 1, 2024 to March 31, 2025

Service Element	Basis for Fee Calculation	Fee
Strategic Capital Planning		
<ul style="list-style-type: none"> Detailed Assessment Supervisor Verification Setup on Gordian Cloud Project Selection Tools Multi-year Capital Plan Site linear assets 	64 Buildings 465,627 GSF 8 Parks	\$94,344.31
Total Proposal Fees to be Invoiced		\$94,344.31
Gordian Cloud Software Annual Subscription Fee (after year 1)	Up to 1M GSF	\$10,000
<i>Optional – Data Management by Gordian after year 1</i>		<i>TBD</i>

- Discounts applied per Sourcewell Agreement# 020421-GGI

Gordian understands that the Client is committing to a one (1) year agreement. Client agrees to pay the following fees inclusive of expenses to **Sightlines, LLC** for all Services for each Contract Year as defined above (in addition to any other fees outstanding at such time).

To verify acceptance, please sign below, scan and return to David Tsung, Senior Account Executive, d.tsung@gordian.com. This acceptance will give our Planning Services team the ability to assemble the resources to deliver these services and will also prompt the generation of the Sightlines, LLC standard contract as the Master Agreement.

By signing this proposal, you are confirming your authority to bind the Client and the Client’s acceptance of the terms, conditions and service dates set forth in this document.

Read and Agreed:

Name: _____ Date: _____

Title: _____ Sign: _____

Appendix B: Building and Site Linear Inventory

8 County Parks – buildings and site linear

- Cone Grove Park - large brick BBQ, horseshoe pits, benches, sheds, pumps
- Gerber Park - basketball court, soccer field with goals, playground, pump house, picnic tables, BBQ grills, baseball field with bleachers
- Mill Creek Park - picnic tables, BBQ grills, horseshoe pits, play court area, boat ramp, softball fields, volleyball court
- Simpson Finnell Park - horseshoe pits, playground, picnic tables, BBQ pits, tennis/basketball court, fire pit, covered patio, ball field with bleachers/concession
- Tehama County River Park - picnic tables, playground, horseshoe pits, pump house, BBQ grills, boat ramp
- Bend Bridge Park – boat ramp
- Ridgeway Park - picnic tables, horseshoe pits, horse arena, rec hall, sheds, maintenance bldg., BBQ, fire hall, playground
- Camp Tehama - tent cabins, dorms, dining hall, cook's quarters, restrooms/showers, enclosed picnic shelter, campfire circle with stage

<u>Facility</u>	<u>Address</u>	<u>City</u>	<u>Approx Square Feet</u>
Administration Office	727 Oak Street	Red Bluff	19,877
Administration Storage Units	727 Oak Street	Red Bluff	2,400
Ag Center, New	1834 Walnut	Red Bluff	7,000
Ag Extension Office	1754 Walnut	Red Bluff	2,322
Ag Weed/Rodent Lab	1820 Walnut	Red Bluff	2,240
Ag Weights and Measures	1810 Walnut	Red Bluff	2,400
Animal Services	1830 Walnut	Red Bluff	4,171
Court Annex #1	444 Oak	Red Bluff	29,357
Camp Tehama	40550 HWY 172	Mill Creek	9,950
Courthouse, Tehama County, Old	633 Washington	Red Bluff	28,962
Courthouse, Corning, Old	720 Hoag Street	Corning	4,320
District Attorney Investigators Office	725 Jefferson	Red Bluff	3,210
Facilities Maintenance Office	624 Washington	Red Bluff	3,290
Fire Station, Bend	22310 Bend Ferry	Red Bluff	2,080
Fire Station, Bowman	18355 Bowman	Cottonwood	3,840
Fire Station, Corning	988 Colusa	Corning	6,244
Fire Station, Dibble Creek	20230 HWY 36W	Dibble Creek	3,490
Fire Station, El Camino	9580 HWY 99W	Gerber	5,014
Fire Station, Lake California	22133 Riverview	Cottonwood	2,056
Fire Station, Los Molinos	7930 Sherwood	Los Molinos	4,125
Fire Station, Manton	31291 Manton	Manton	3,960

Fire Station, Mill Creek	40271 HWY 172	Mill Creek	525
Fire Station, Mineral	37900 HWY 36E	Mineral	1,600
Fire Station, Paynes Creek	29960 Plum Creek	Paynes Creek	1,380
Fire Station, Rancho Tehama	17195 Rancho Tehama	Corning	3,300
Fire Station, Richfield	6115 Grange	Corning	2,520
Fire Station, Ridgeway	19691 Ridge	Red Bluff	875
Fire Station, Vina	4560 Rowles	Vina	3,000
HSA - CCRU	1860 Walnut C	Red Bluff	3,630
HSA - Clinic	1850 Walnut	Red Bluff	34,591
HSA - Mental Health Adult Day Trt & Case Mgmt	1445 Vista	Red Bluff	10,080
HSA - Public Health Modular	1860 Walnut D	Red Bluff	3,840
HSA - TAY Modular	1900 Walnut	Red Bluff	1,000
HSA Public Health	1860 Walnut A	Red Bluff	4,802
Jail	502 Oak	Red Bluff	40,975
Juvenile Hall	1790 Walnut	Red Bluff	34,233
Library, Tehama County, New	545 Diamond	Red Bluff	17,193
Probation - Adult	1840 Walnut	Red Bluff	2,932
Probation AB109 Modular	1862 Walnut	Red Bluff	672
Probation Day Reporting Center	780 Antelope	Red Bluff	3,001
Public Works Office	9380 San Benito	Gerber	17,500
Public Works Modular	9380 San Benito	Gerber	3,000
Ridgeway Park Rec Building	19725 Ridge	Red Bluff	4,951
Ridgeway Park Shop	19725 Ridge	Red Bluff	3,500

Sheriff's Dept Search & Rescue	2010 Park	Red Bluff	1,000
Sheriff's Main Office	22840 Antelope	Red Bluff	22,700
Social Services Dept	310 South Main	Red Bluff	39,966
Transit - Maintenance Facility	1509 Schwab Street	Red Bluff	8,000
Transit - Maintenance Storage	1515 Schwab Street	Red Bluff	7,980
Transit - Administration	1820 Bidwell Street	Red Bluff	5,000
Vets Hall, Corning	1620 Solano	Corning	9,575
Vets Hall, Los Molinos	7980 Sherwood	Los Molinos	9,143
Vets Hall, Red Bluff	735 Oak	Red Bluff	9,425
Cone Grove Park - Storage Building	24280 Cone Grove Road	Red Bluff	578
Cone Grove Park - Restroom	24280 Cone Grove Road	Red Bluff	324
Cone Grove Park - Restroom	24280 Cone Grove Road	Red Bluff	235
Gerber Park - Restroom	520 Mariposa Street	Gerber	235
Mill Creek Park - Restroom	24670 Tehama Vina Road	Los Molinos	235
Mill Creek Park - Restroom	24670 Tehama Vina Road	Los Molinos	260
Simpson-Finnell Park - Restroom	19725 Ridge Road	Paskenta	384
Simpson-Finnell Park - Snack Bar	19725 Ridge Road	Paskenta	336
Tehama County River Park - Restroom	25340 South Avenue	Corning	256
Tehama County River Park - Restroom	25340 South Avenue	Corning	352
Tehama County River Park - Restroom	25340 South Avenue	Corning	235
TOTAL BUILDINGS GSF			465,627

Appendix C: Components for Detailed Assessment

Cooling: Building Distribution, Generation

Electrical: Building Distribution, Fixtures/Lighting, Generation, Secondary Services, Specialties

Exterior Shell: Arch. Features, Exterior Painting, Gutters & Leaders, Opening, Roof, Structural

Grounds: Athletic Fields, Bodies of Water, Drainage/Storm Water, Exterior Safety/Code, Exterior Signage, Fences & Gates, Furnishings, Masonry Structures, Plant Material, Roads & Paths

Heating: Building Distribution, Fuel Supply & Management, Generation

HVAC: Air Handling, Building Distribution, Controls, Ductwork, End Use HVAC, Generation, Ventilation, Ceilings

Interior Shell: Doors, Floors, Furnishings and Finishes, Interior Signage, Renovation, Walls

Mechanical: Kitchen Equipment, Pumps/Motors, Specialty Equipment, Vertical Systems

Plumbing: Bathroom Renovations, DHW Generation, Fixtures & Fittings, Primary Service, Pumps/Motors, Supply Piping, Waste Piping

Safety/Code: Abatement, Accessibility, Fire Alarm/Detection, Fire Protection/Egress, Security

INSURANCE REQUIREMENTS FOR CONTRACTOR

Contractor shall procure and maintain, for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work described herein and the results of that work by Contractor, his/her agents, representatives, employees or subcontractors. At a minimum, Contractor shall maintain the insurance coverage, limits of coverage and other insurance requirements as described below.

Commercial General Liability (including operations, products and completed operations) \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If coverage is subject to an aggregate limit, that aggregate limit will be twice the occurrence limit, or the general aggregate limit shall apply separately to this project/location.

Automobile Liability

Automobile liability insurance is required with minimum limits of \$1,000,000 per accident for bodily injury and property damage, including owned and non-owned and hired automobile coverage, as applicable to the scope of services defined under this agreement.

Workers' Compensation

If Contractor has employees, he/she shall obtain and maintain continuously Workers' Compensation insurance to cover Contractor and Contractor's employees and volunteers, as required by the State of California, as well as Employer's Liability insurance in the minimum amount of \$1,000,000 per accident for bodily injury or disease.

Professional Liability (Contractor/Professional services standard agreement only)

If Contractor is a state-licensed architect, engineer, contractor, counselor, attorney, accountant, medical provider, and/or other professional licensed by the State of California to practice a profession, Contractor shall provide and maintain in full force and effect while providing services pursuant to this contract a professional liability policy (also known as Errors and Omissions or Malpractice liability insurance) with single limits of liability not less than \$1,000,000 per claim and \$2,000,000 aggregate on a claims made basis. However, if coverage is written on a claims made basis, the policy shall be endorsed to provide coverage for at least three years from termination of agreement.

If Contractor maintains higher limits than the minimums shown above, County shall be entitled to coverage for the higher limits maintained by Contractor.

All such insurance coverage, except professional liability insurance, shall be provided on an “occurrence” basis, rather than a “claims made” basis.

Endorsements: Additional Insureds

The Commercial General Liability and Automobile Liability policies shall include, or be endorsed to include “Tehama County, its elected officials, officers, employees and volunteers” as an additional insured.

The certificate holder shall be “County of Tehama.”

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions of \$25,000 or more must be declared to, and approved by, the County. The deductible and/or self-insured retentions will not limit or apply to Contractor’s liability to County and will be the sole responsibility of Contractor.

Primary Insurance Coverage

For any claims related to this project, Contractor’s insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be excess of Contractor’s insurance and shall not contribute with it.

Coverage Cancellation

Each insurance policy required herein shall be endorsed to state that “coverage shall not be reduced or canceled without 30 days’ prior written notice certain to the County.”

Acceptability of Insurers

Contractor’s insurance shall be placed with an insurance carrier holding a current A.M. Best & Company’s rating of not less than A:VII unless otherwise acceptable to the County. The County reserves the right to require rating verification. Contractor shall ensure that the insurance carrier shall be authorized to transact business in the State of California.

Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance that meets all the requirements stated herein.

Material Breach

If for any reason, Contractor fails to maintain insurance coverage or to provide evidence of renewal, the same shall be deemed a material breach of contract. County, in its sole option, may terminate the contract and obtain damages from Contractor resulting from breach. Alternatively, County may purchase such required insurance coverage, and without further notice to Contractor, County may deduct from sums due to Contractor any premium costs advanced by County for such insurance.

Policy Obligations

Contractor's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

Verification of Coverage

Contractor shall furnish County with original certificates and endorsements effecting coverage required herein. All certificates and endorsements shall be received and approved by the County prior to County signing the agreement and before work commences. However, failure to do so shall not operate as a waiver of these insurance requirements.

The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.