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November 14, 2017

TO: LOCSD Board of Directors

FROM: Jose Acosta, Utility Systems Manager

SUBJECT: Agenda Item 11G - 12/7/2017 Board Meeting

Ratify Contract with Alpha Electric Services for the Purchase and Installation of the Electrical Panel at 8<sup>th</sup> Street Drainage Facility

# **DESCRIPTION**

The current control panel at the 8<sup>th</sup> Street drainage facility is outdated and in need of replacement controls and electrical components.

### STAFF RECOMMENDATION

Staff recommends that the Board ratify the contract between Alpha Electric Service (AES) and the Los Osos Community Services District (LOCSD).

This item will be approved along with the Consent Calendar unless it is pulled by a Director for separate consideration. If so, Staff recommends that the Board adopt the following motion:

Motion: I move that the Board ratify the contract with Alpha Electric Services to replace the control panel at the 8<sup>th</sup> Street Drainage Facility in the amount of \$19,646.51.

#### DISCUSSION

The 8<sup>th</sup> Street Drainage Facility pumps are designed and setup to operate when the intersection of 8<sup>th</sup> Street and El Moro Avenue are being inundated with storm water and controlled by automatic switches. The drainage control panel is in place to ensure automatic operation of the drainage facility. This panel has become outdated and in need of replacement parts, which are obsolete and can no longer be procured.

AES has provided a quote and signed the contract to execute the work set forth in the scope. The contract has allowed parts to be ordered, and the work to begin upon arrival, with an expected completion date of January 1, 2018.

#### FINANCIAL IMPACT

The quote was for a total of \$19,646.51. Replacement for both a pump and the panel was included in the 2017-2018 Drainage Budget which was approved at the July 6, 2017 Board meeting. The total for both the pump and the panel was budgeted for \$85,000; both purchases combined equal \$78,820.74.

Funding for the purchase of the control panel will come from Fund 800, Capital Improvement Reserves.

Attachments

# SHORT FORM PUBLIC WORKS CONTRACT

Replacement of 8<sup>th</sup> Street Drainage Control Panel

**THIS AGREEMENT**, made and entered into this 14th day of November 2017, by and between the **LOS OSOS COMMUINITY SERVICES DISTRICT**, a special district, hereinafter designated District, party of the first part, and ALPHA ELECTRICAL SERVICE, hereinafter designated as Contractor, party of the second part,

WITNESSETH: That the parties hereto do mutually agree as follows:

**ARTICLE I.** For and in consideration of the payments and agreements hereinafter mentioned to be made and performed by District, Contractor agrees with District to furnish all materials, equipment and labor and construct facilities for District, and to perform and complete in a good and workmanlike manner all the work pertaining thereto and as generally described hereinbelow (the "project" or "work"), and to furnish at his own proper cost and expense all tools, equipment, labor, and materials necessary therefore and to do everything required by this Contract and the requirements of the District's General Manager, to wit:

#### PROJECT DESCRIPTION:

Provide replacement of control panel for 8<sup>th</sup> Street drainage pumps, including controls, electrical components, auto-dialer, enclosures and all other appurtenance as set forth in the quote dated October 17, 2017, attached hereto as Exhibit A (the "Quote").

# **COMMENCEMENT OF WORK AND TIME LIMITS:**

The Contractor shall commence work on the Project as of November 15, 2017 and shall diligently prosecute the completion of said Project. Prior to commencing work, Contractor shall sign and return a copy of this Contract and any document hereto and provide proof of insurance as required herein. **ALL WORK MUST BE COMPLETED BY January 1, 2018.** 

#### **PAYMENT SCHCEDULE:**

District shall pay Contractor in accordance with the provisions of the Proposal, in an amount not to exceed \$19,646.51.

Partial payment will be made upon arrival of all materials, to cover the costs of materials only.

A five percent (5%) retention shall be withheld from any partial payment requests.

**ARTICLE II.** For furnishing all said equipment, materials and labor, performing demolition as required, and doing all the work contemplated and embraced in this Contract; and for all loss and damage arising out of the nature of the work aforesaid, or from the action of the elements or from any unforeseen difficulties which may arise or be encountered in the prosecution of the work until its acceptance by District, and for all risks of every description connected with the work; also for all expenses incurred by or in consequence of the suspension or discontinuance of work, and for well and faithfully completing the work and the whole thereof, District will pay and Contractor shall receive as full compensation therefore the amounts for such work as described above.

**ARTICLE III.** District hereby promises and agrees with said Contractor to employ, and does hereby employ, said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner and upon the conditions set forth in the specifications; and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to full performance of the covenants herein contained.

**ARTICLE IV**. the following contract documents (if checked) are hereby incorporated in and made a part of this Contract as though set forth in full:

X	<ol> <li>Statement of Prevailing Wages;</li> </ol>
	2. Bond for Faithful Performance;
-	3. Bond for Materials and Laborers;
X	4. Standard Specifications;
	5. Special Provisions;
	6. Project Plans mentioned herein and titled "INAME1"

**ARTICLE V**. If checked above, Contractor shall forthwith furnish in triplicate, a faithful performance bond in an amount equal to 100% of the contract price and a labor and materials bond in an amount equal to 100% of the contract price, both bonds to be written by a surety company acceptable to District and in the form prescribed by law.

**ARTICLE VI.** Should any of the materials or equipment prove defective or should the work prove defective due to faulty workmanship, material furnished or methods of installation, or should the work or any part thereof fail to operate properly, due to any of the above causes, all within twelve (12) months after date on which the work called for in this Contract is accepted by District, the undersigned agrees to reimburse District, upon demand, for its expenses incurred in restoring said work to the condition contemplated in said project, including the cost of any such equipment or materials replaced and the cost of removing and replacing any work necessary to make such replacement or repairs, or, upon demand by District, to replace any such materials and to repair said work completely without cost to District so that said work will function successfully as originally contemplated.

District shall have the unqualified option to make any needed replacement or repairs itself or to have such replacements or repairs done by the undersigned. In the event District elects to have said work performed by the undersigned, the undersigned agrees that the repairs shall be made and such materials as are necessary shall be furnished and installed within a reasonable time after the receipt of demand from District. If the undersigned shall fail or refuse to comply with his obligations under this guaranty, District shall be entitled to all costs and expenses, including attorney's fees, reasonably incurred by reason of the said failure or refusal.

ARTICLE VII. If Contractor should be adjudged bankrupt, or if he makes a general assignment for the benefit of his creditors, or if a receiver should be appointed on account of his insolvency, or if he or any of his subcontractors should persistently violate any of the provisions of the Contract, or if he should disregard laws, ordinances or the instructions of the General Manager, then District may, upon certificate of the General Manager when sufficient cause exists to justify such action, serve written notice upon Contractor and his surety (if applicable) of its intention to terminate the Contract, such

notice to contain the reasons for such intention to terminate the Contract, and unless, within five (5) days after the serving of such notice, such violations shall cease and satisfactory arrangements for correction thereof be made, the Contract shall, upon the expiration of said five (5) days, cease and terminate.

In the event of any such termination, District shall immediately serve written notice thereof upon the surety (if applicable) and Contractor, and the surety shall have the right to take over and perform the Contract, provided, however, that if the surety, within ten (10) days after the serving upon it of notice of termination, does not give District written notice of its intention to take over and perform the Contract or does not commence performance thereof within the ten (10) days stated above from the date of the serving of such notice, District may take over the work and prosecute the same to completion by Contract or by any other method it may deem advisable, for the account and at the expense of Contractor, and Contractor and his surety shall be liable to District for any excess cost occasioned District thereby, and in such event District may, without liability for so doing, take possession of and utilize in completing the work such materials, appliances, plans and other property belonging to Contractor as may be on the site of the work and necessary therefore. In such case Contractor shall not be entitled to receive any further payment until the work is finished. If the unpaid balance of the Contract price shall exceed the expenses of finishing the work, including compensation for additional managerial and administration services, such excess shall be paid Contractor. If such expense shall exceed such unpaid balance, Contractor shall pay the difference to District. The expense incurred by District, as herein provided, and damage incurred through Contractor's default, shall be certified by the General Manger.

ARTICLE VIII. The Contractor shall indemnify, defend, and hold harmless the District, and its officers, officials, employees and agents, from and against any and all claims asserted, liability, loss, damage, expense, costs (including without limitation costs and fee of litigation) of every nature arising of, directly or indirectly, or in connection with this Contract or the acts or omissions of Contractor, Contractor's Subcontractors, employees, representatives, agents and invitees including, but not limited to, performance of the work hereunder or failure to comply with any of the obligations contained herein, except such loss or damage which was caused by the established proven sole negligence or willful misconduct of District, its officers, officials, employees and agents. Said indemnification and hold harmless provisions shall be in full force and effect regardless of whether or not there shall be insurance policies covering and applicable to such liability, loss, damage, expense or cost.

The Contractor agrees that the use of any and all public streets and improvements which are part of or subject to this Contract shall be at all times, prior to the final acceptance by the District, the sole and exclusive risk of the Contractor. The Contractor further specifically agrees that he shall indemnify and hold District free of any liability for any accident, loss, or damage to the work, which is the subject of this Contract prior to its completion and acceptance by the District.

**ARTICLE IX**. It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this instrument and the bid or proposal (if one) therefore, then this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said bid or proposal conflicting herewith.

**ARTICLE X**. Time is of the essence of this contract and failure to comply with this provision shall be a material breach of this contract.

ARTICLE XI. If any part of this contract is held invalid by a court of competent jurisdiction, the balance shall retain its full force and effect.

ARTICLE XII. Maintenance of required insurance coverage is a material element of this contract and failure to maintain or renew coverage or to provide evidence of renewal shall be a material breach of this contract.

IN WITNESS WHEREOF: The parties hereto have caused this Contract to be executed the day and year first above written.

DISTRICT COMMUNITY SERVICES	CONTRACTOR
Jon Erik Storm, President	By: Kevin Piper, CEO AES
ATTEST:  Mull Status  Benee Osborne, General Manager	
APPROVED AS TO FORM:	
Roy Hanely, District Counsel	

### STATEMENT OF PREVAILING WAGES

In accordance with California Labor Code Section 1725.5, Contractors and Subcontractors (as defined by California Labor Code Section 1722.1) bidding on or engaging in the performance of any Public Works contracts in California shall be registered with the Department of Industrial Relation.

In accordance with California Labor Code Section 1770 and 1773, the District has determined that prevailing wage rates apply to this project. Copies of the prevailing rates of per diem wages applicable to this Contract are available from the California Division of Labor Statistics and Research at <a href="https://www.dir.ca.gov/dslr/PWP/index.htm">www.dir.ca.gov/dslr/PWP/index.htm</a> or 455 Golden Gate Ave. 9th Floor, San Francisco, CA 94102. Any employee whose type of work is not covered by any of the classified wage rates shall be paid not less than the rate of wage listed for the classification which most nearly corresponds to the type of work performed.

Pursuant to California Labor Code Section 1775, the Contractor shall forfeit no more than \$50 per calendar day, or portion of a day, for each worker paid less than the prevailing rates for such work or craft, and the penalty shall be imposed and distributed pursuant to Section 1775.

The District will not recognize any claims for additional compensation because of the payment of the wages set forth in the Contract.

In accordance with the requirements of Labor Code Section 1771.4(a)(1), this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

-- END OF STATEMENT OF PREVAILING WAGES --

# STANDARD SPECIFICATIONS

- A. <u>General</u>: The work embraced herein shall be done in accordance with all applicable federal, state, county and district statutes, rules, regulations, ordinances and orders, including the applicable provisions of the most recently issued California Building Code, "Green Book" Standard Specifications for Public Works Construction, hereinafter referred to as Standard Specifications, insofar as the same may apply, and in compliance with all applicable state and federal construction related accessibility laws and standards, and in accordance with the following Standard Provisions.
- B. <u>Definition of Terms</u>: Whenever the following terms are used in the Standard Specifications, they shall be understood to mean the following:

"Owner" or "Agency": Los Osos Community Services District

"Board": Los Osos Community Services District Board of Directors

"Defective Work": The term "defective work" shall include work that does not

conform to the contract specifications.

"General Manager" The District's General Manager, acting either directly or through

properly authorized agents, such agents acting within the scope of

the particular duties entrusted to them.

Other terms appearing in the Standard Specifications shall be given the intent and meaning specified therein.

- C. <u>Description of the Work</u>: The work shall consist of furnishing and supplying labor, materials, tools, equipment, transportation, and services necessary to complete the subject project as described in the project plans or Contractors Proposal.
- D. <u>Control of Work</u>: The General Manager shall decide all questions, which may arise as to quality of work, acceptability of materials, and conduct of the work, including, but not limited to, coordination and changes in plans, superintendence of work, control of equipment, and inspection of work. Any person employed who is found by any District representative to be incompetent, intemperate, troublesome, disorderly, or otherwise objectionable or who fails or refuses to perform work properly and acceptably, shall be immediately removed from the Project upon request, by the Contractor, and shall not again be employed on the Project.
- E. <u>Construction Schedule</u>: The contractor shall provide the General Manager with a detailed schedule outlining the procedure and approved by the General Manager prior to performing any work other than preliminary matters such as ordering materials and setting up staging areas. Extensions of the contract period due to delays that do not affect the critical path will not be allowed, if the delay can be accommodated within available float time.
- F. <u>Guaranty</u>: The Contractor shall guarantee all materials, equipment furnished, and work performed for a period of one (1) year from the date of final completion. The Contractor warrants and guarantees for a period of one (1) year from the date of final acceptance of the system that the completed system is free from all defects due to faulty materials or workmanship and the Contractor shall promptly make such corrections as may be necessary by reasons of such defects including the repairs of any damages to other parts of the system resulting from such defects. The District will give notice of observed defects with reasonable promptness. In the event that the Contractor should fails to make such repairs, adjustments, or other work that may

be necessary by such defects the District may do so and charge the Contractor the cost thereby incurred, as well as an administrative fee of an additional twenty 20% of the cost thereby incurred by the District.

- G. Existing Utilities: The Contractor shall be responsible for contacting all utility companies and/or utility districts as to location and/or relocation of existing utilities prior to construction. The Contractor shall contact Underground Service Alert [USA], telephone 1-800-642-2444, a minimum of ten (10) days prior to any excavation. The District assumes no responsibility for the completeness or accuracy of the delineation of any underground utilities, or the existence of other buried objects or utilities which are not shown on the Plans. The Contractor is solely responsible for any damage to underground or above ground utilities, which may be incurred as a result of any work performed by him under this Contract, regardless of the fact that the utilities' existence was known or unknown.
- H. <u>Traffic, Access and Signage</u>: The Contractor shall furnish, place and maintain traffic control devices necessary to provide safe passage for the traveling public through the construction sites, as well as for the safeguard of workers. The Contractor shall furnish, place and maintain such devices in accordance with the most recent "California Manual on Uniform Traffic Control Devices" published by the State of California, Department of Transportation (Caltrans). The provisions shall not relieve the Contractor from the responsibility to provide such additional devices as are necessary for public safety. The Contractor shall furnish, place, maintain and remove all signage needed for maintaining public safety and controlling traffic.
- I. <u>Insurance Requirements for Contractors:</u> In all instances where a CONTRACTOR or its representatives will be conducting business and/or providing services, DISTRICT requires the following MINIMUM insurance requirements and limits.

CONTRACTOR shall procure and maintain insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by CONTRACTOR, its agents, representatives, employees or subcontractors. Insurance must be renewed for a period of at least 180 days after final payment has been made by DISTRICT to CONTRACTOR pursuant to this agreement.

Maintenance of proper insurance coverage is a material element of the contract. Failure to maintain or renew coverage or to provide evidence of renewal may be treated by DISTRICT as a material breach of contract.

CONTRACTOR agrees that in the event of loss due to any of the perils for which it has agreed to provide Commercial General and Auto Liability insurance, CONTRACTOR shall look solely to its insurance for recovery. CONTRACTOR hereby grants to DISTRICT, on behalf of any insurer providing Commercial General and Automobile Liability insurance to either CONTRACTOR or DISTRICT with respect to the services of CONTRACTOR herein, a waiver of any right to subrogation which any such insurer of said CONTRACTOR may acquire against DISTRICT by virtue of the payment of any loss under such insurance.

Original signed certificates and separate policy endorsements naming the DISTRICT as an additional insured for general liability, and a waiver of subrogation for Workers' Compensation Insurance shall be received and approved by DISTRICT before any work may begin. However, failure to do so shall not operate as a waiver of these insurance requirements. DISTRICT reserves the right to modify or require additional coverages for specific risk exposures depending on scope of CONTRACTORS work.

Minimum coverage is detailed below. The policy limits of coverage shall be made available to the full limits of the policy. The minimum limits stated herein shall not serve to reduce the policy limits of coverage of CONTRACTOR. Exceptions to these requirements may be allowed in special circumstances. Contact Risk Management to inquire.

**Minimum Scope of Insurance** – the following forms shall be provided and coverage shall be at least as broad as the following:

- 1. Insurance Services Office Commercial General Liability coverage (ISO Occurrence Form CG 0001) including coverage for on-going operations, and products and completed operations.
- 2. Original and separate Additional Insured Endorsements for General Liability (ISO Form CG 20 10 11/85 or its equivalent) with primary and non-contributory language.
- 3. Insurance Services Office Automobile Liability coverage (ISO Form CA 0001, Code 1, Any Auto)
- 4. Workers' Compensation Insurance as required by the State of California including Employer's Liability coverage.
- 5. Original and separate Waiver of Subrogation for Workers' Compensation Insurance.
- 6. Builder's Risk/Course of Construction insurance covering all risks of loss less policy exclusions when the DISTRICT has a financial interest in the property. (Only required for Construction Contracts involving property)
- 7. Contractor's Pollution Liability (if applicable for Construction Contractors)

## **Required Coverage Minimum Limits**

General Liability (primary and excess limits combined)

Minimum coverage \$1,000,000 per occurrence/\$2,000,000 aggregate. Coverage requirements may be increased based on risk analysis and consultation with DISTRICT. Includes coverage for bodily injury, personal injury, property damage and products and completed operations. The policy shall not exclude coverage for XCU perils (explosion, collapse, or damage to underground property).

If the policy includes a general aggregate, either the general aggregate shall apply separately to this project, service or location or the minimum required aggregate limit shall be twice the per occurrence limit.

Policy shall be endorsed to name the DISTRICT as an additional named insured per the conditions detailed below.

Automobile Liability:\$1,000,000 per occurrence for bodily injury and property damage. Workers' Compensation and Employers' Liability: Statutory limits as required by the State of California including \$1million Employers' Liability per accident, per employee for bodily injury or disease. If CONTRACTOR is self-insured, provide a certificate of Permission to Self-Insure, signed by the California Department of Industrial Relations and Self-Insurance. Builders' Risk/Course of Construction – Covers property under construction, repair or renovation as well as equipment and materials to be installed. (Only required for Construction Projects involving property and equipment installation.)

Coverage shall include all risks of direct physical loss, excluding earthquake, for an amount equal to the full completed value of the covered structure or replacement value of alterations or additions, including soft costs and business interruption. If the project does not involve new or major reconstruction, an Installation Floater may be acceptable.

For such projects, a property installation floater shall be obtained that provides for the improvement, remodel, modification, alteration, conversion or adjustment to existing buildings, structures, processes, machinery and equipment. The Property Installation Floater shall provide property damage coverage for any building, structure, machinery or equipment damaged, impaired, broken or destroyed during the performance of the Work, including during transit, installation and testing at DISTRICT's site.

The DISTRICT shall be named as loss payee as its interest may appear. The insurer shall waive all rights against DISTRICT.

# **Required Policy Conditions**

Applicable to General Liability. The DISTRICT, its officers, officials, employees, agents and volunteers are to be named as additional insured's for all liability arising out of the operations by or on behalf of the named insured including but not limited to bodily injury, deaths and property damage or destruction arising in any respect directly or indirectly in the performance of this contract.

Primary and Noncontributory CONTRACTOR's insurance coverage must be primary and noncontributory coverage as it pertains to DISTRICT, its officers, officials, employees, agents and volunteers. Any insurance or self insurance maintained by DISTRICT is wholly separate from the insurance of CONTRACTOR and in no way relieves CONTRACTOR from its responsibility to provide the required limits of insurance.

Waiver of Subrogation Endorsement Form CONTRACTOR's insurer will provide a Waiver of Subrogation endorsement in favor of DISTRICT for Workers Compensation coverage during the life of this contract.

Deductibles and Self-Insured Retentions Any deductible or self-insured retention over \$50,000 must be declared to and approved by DISTRICT. At the option of DISTRICT either the insurer shall reduce or eliminate such deductibles or self-insured retention as respects DISTRICT or CONTRACTOR shall procure a financial guarantee in an amount equal to the deductible or self-insured retention guaranteeing payment of losses and related investigations, claims administration and defense expenses.

CONTRACTOR is responsible for satisfaction of the deductible and/or self-insured retention for each loss.

Loss Payable Endorsement (only required when Builder's Risk and/or Course of Construction Insurance is required.) Applicable to Builder's Risk/Course of Construction naming the DISTRICT as Loss Payee.

## Subcontractors

CONTRACTOR shall include all subcontractors as insured under its policies or shall furnish to DISTRICT's designated project manager for review and approval, separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated herein.

CONTRACTOR agrees to defend and indemnify DISTRICT for any damage resulting to it from failure of either CONTRACTOR or any subcontractor to take out or maintain the required insurance policies. The fact that insurance is obtained by CONTRACTOR, and/or CONTRACTOR's subcontractors, will not be deemed to release or diminish the liability of CONTRACTOR, including, without limitation, liability under the indemnity provisions of this contract. Damages recoverable by DISTRICT from CONTRACTOR or any third party will not be limited by the amount of the required insurance coverage.

# **Verification of Coverage**

All original certificates and endorsements shall be received and approved by DISTRICT before work may begin. DISTRICT reserves the right to require complete, certified copies of all required insurance policies including endorsements affecting the coverage at any time.

Original insurance certificates and required policy endorsements shall be mailed, or delivered to the designated project manager for DISTRICT.

- J. <u>Non-Discrimination</u>: While this Contract is in effect, the Contractor shall comply with all provisions of the California Labor Code Section 1735, as amended, regarding non-discrimination practices and equal employment opportunity.
- K. <u>Permits and Taxes</u>: Unless otherwise provided in Contract documents, the Contractor shall obtain, and pay for, all construction permits, licenses or other permits necessary to complete the project and shall be responsible for all governmental charges, inspection fees, utility connection charges, and sales and use taxes.
- L. <u>Notices</u>: Any notices from one party to the other with respect to this Contract shall be mailed, faxed, e-mailed, or delivered as shown on the signature block on the Contract.
- M. <u>Effectiveness:</u> This Contract shall be effective only when signed by both parties to the Contract.
- N. <u>Waiver</u>: The waiver of any breach of any condition, covenant, term, or provision of this Contract by any party to this Contract shall not be deemed to be a waiver of any preceding or subsequent breach under the Contract, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
- O. <u>Authorizations</u>: All officers and individuals executing, this and other documents on behalf of the respective parties do hereby certify and warrant that they have the capacity and have been duly authorized to so execute said documents on behalf of the entity so indicated. Each signatory shall also indemnify the other party to this Agreement, and hold them harmless, from any and all damages, costs, attorneys' fees, and other expenses, if the signatory is not so authorized.
- P. <u>Severability:</u> If any term, provision, covenant, or condition of this Contract shall be or become illegal, invalid, null, void, unenforceable, or against public policy, in whole or in part, or shall be held by any court of competent jurisdiction to be illegal, invalid, null, or void, or against public policy, the term, provision, covenant, or condition shall be deemed severable, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected, impaired, or invalidated. The term, provision, covenant, or condition that is so invalidated,

voided, or held to be unenforceable shall be modified or changed by the Parties to the extent possible to carry out the intentions and directives set forth in this Contract.

- Q. <u>Entire Agreement:</u> This Contract constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the Contract and supersedes all prior and contemporaneous agreements, promises, representations, warranties, understandings, or undertakings by either of the Parties, either oral or written, of any character or nature. No party has been induced to enter into this Agreement by, nor is any party relying on, any representation or warranty outside those expressly set forth in this Contract.
- R. Attorney's Fees. In any litigation, arbitration, or other proceeding in law or equity by which one party to the Contract seeks to enforce its contract rights under the Contract, to resolve an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Lease, to seek a declaration of any rights or obligations under this Contract, or to interpret the provisions of this Contract, the prevailing party shall be entitled to recover from the losing party actual attorneys' fees incurred to resolve the dispute and to enforce the final judgment, award, decision, or order and such fees, costs; or expenses shall be in addition to any other relief to which the prevailing party may be entitled.
- S. <u>Governing Law; Jurisdiction</u>. This Contract will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Contract will be in San Luis Obispo County, California.

-- END OF STANDARD SPECIFICATIONS --