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**Contract Number**

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**SAP Number**

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## Board Governed County Service Areas

<b>Department Contract Representative</b>	<u>Greg Snyder, Division Manager</u>
<b>Telephone Number</b>	<u>(909) 386-8881</u>
<b>Contractee</b>	<u>City of Twentynine Palms</u>
<b>Contractee Representative</b>	<u>Stone James, City Manager</u>
<b>Telephone Number</b>	<u>(760) 367-6799</u>
<b>Contract Term</b>	<u>5/19/2026-5/19/2031</u>
<b>Original Contract Amount</b>	<u>\$409,233.63</u>
<b>Amendment Amount</b>	<u></u>
<b>Total Contract Amount</b>	<u>\$409,233.63</u>
<b>Cost Center</b>	<u>N/A</u>
<b>Grant Number (if applicable)</b>	<u></u>

IT IS HEREBY AGREED AS FOLLOWS:

**WASTEWATER SYSTEM SERVICE CONTRACT  
BETWEEN  
CITY OF TWENTYNINE PALMS  
AND  
SAN BERNARDINO COUNTY SERVICE AREA 70**

**WHEREAS**, SAN BERNARDINO COUNTY SERVICE AREA, 70 (hereinafter referred to as “CSA 70”), through the San Bernardino County Department of Public Works – Special Districts, operates, maintains, and manages multiple public wastewater and water utility systems throughout San Bernardino County and employs California Water Environment Association (“CWEA”) certified wastewater collection system operators with the training, expertise, equipment, and institutional knowledge necessary to provide professional wastewater collection system operations, maintenance, regulatory compliance, and emergency response services; and

**WHEREAS**, CITY OF TWENTYNINE PALMS (hereinafter referred to as “CITY”), owns and is legally responsible for the operation, maintenance, regulatory compliance, and emergency response associated with its public wastewater collection system, including associated septic tanks, seepage pits, and related facilities (collectively, the “System”), located within the City’s jurisdictional boundaries; and

**WHEREAS**, applicable State and federal laws and regulations require that public wastewater collection systems be operated and maintained by appropriately certified or experienced personnel and in accordance with prescribed monthly, quarterly, and annual maintenance schedules and reporting requirements to ensure protection of public health, safety, and the environment; and

**WHEREAS**, the CITY seeks staff with the necessary experience or CWEA certifications, equipment, or operational capacity to independently perform these required wastewater collection system operation, maintenance, compliance, and emergency response activities; and

**WHEREAS**, CSA 70 has sufficient qualified available staff with extensive experience and certification in the operation, maintenance, and management of public wastewater systems in the vicinity of the CITY System;

**WHEREAS**, on March 9, 2021, CSA 70 and CITY entered into an agreement for CSA 70 to provide wastewater system operations, maintenance, emergency response, and support services to the CITY for a one-year term, from March 1, 2021 through March 30, 2022, with an option to extend for two additional years; and

**WHEREAS**, the parties exercised the available options to extend the agreement through May 19, 2026, and that agreement is now approaching expiration; and

**WHEREAS**, the CITY and CSA 70 have determined that continuation of these services under a new agreement is in the mutual best interest of the parties and necessary to provide wastewater system operations, maintenance, regulatory compliance, and emergency response services for the System; and

**WHEREAS**, the parties desire to enter into a new agreement under substantially similar terms to allow CSA 70 to continue providing wastewater system operations, maintenance, emergency response, and support services for the CITY for a new contract term.

**NOW THEREFORE**, CITY and CSA 70 mutually agree to the following terms and conditions:

**I. CSA 70 SERVICE RESPONSIBILITIES**

- A. CONDUCT** - CSA 70 shall perform for CITY, in a good and workmanlike manner subject to the reasonable satisfaction of CITY, the System operation, maintenance, and

management services as set forth in this service contract. All activities shall be conducted in a manner that complies with local, state, and federal regulatory requirements.

**B. SUPERVISION** - To effectuate the provisions of this service contract, CSA 70's supervisory personnel shall regularly inspect the premises, the work done by CSA 70's personnel, and will exercise complete authority over all such employees. CSA 70 shall immediately remove any employee whose conduct or workmanship is unsatisfactory to CITY.

**C. EMERGENCY** - CSA 70 shall supply CITY with a copy of its Emergency Notification Plan that includes any emergency call out telephone numbers. CSA 70 will provide service on a 24-hour-per-day, 7-day-per-week basis. CITY will participate in the emergency on-call response buy-in program in the amount of \$5,000 annually plus the indirect administrative cost, currently set at 33.58%, subject to change annually (included in the Annual Maintenance and Inspection costs as outlined in the table under the heading VI. Fiscal Provisions, section A.). CSA 70's emergency on-site response time will be two (2) hours or less (excluding inclement weather delays). Actual hours will be charged per emergency incident at the San Bernardino County Board of Supervisors' approved productive hourly rates at an overtime level.

CSA 70 may elect to utilize the services of a qualified and licensed contractor to effect emergency repairs if it is determined that the use of a contractor is in both parties' best interests to do so. CSA 70 maintains "On-Call" contractors with the appropriate licensing, insurance and indemnifications for this purpose. With the exception of emergencies, CSA 70 shall notify CITY when the use of an On-Call contractor is utilized.

**D. EMPLOYEES** - All CSA 70's employees who will provide services pursuant to this service contract must have training or minimum licensing to meet local, state and federal requirements for wastewater collection system and/or wastewater treatment operation services. All CSA 70 employees assigned to the CITY's System will provide services pursuant to this service contract and shall be trained in their assigned tasks, be able to analyze and resolve water and wastewater problems, address and resolve operation service issues in a safe manner, and provide written recommendations and reports. CSA 70 shall ensure that assigned staff receive safety training in accordance with CAL-OSHA standards.

**E. SERVICES AND REPORTS** - CSA 70 shall provide the necessary communications and completed reports to the appropriate local, County, and State agencies as required by the regulatory requirements governing the CITY System, including: the County of San Bernardino Department of Public Health – Division of Environmental Health Services (EHS), SWRCB, the California Regional Water Quality Control Board (RWQCB), and the Environmental Protection Agency (EPA).

CSA 70 shall maintain the CITY's System within its current design and operational capabilities and shall ensure compliance with all permit and regulatory requirements. CSA 70 shall procure and maintain all required CITY wastewater facility permits, licenses, and/or certifications. In the event that CITY's wastewater facilities do not comply with permit or regulatory requirements, CSA 70 shall notify CITY in writing with recommendations outlining the proposed corrective action. CSA 70 shall inform CITY of any permit and/or regulatory requirements that are unable to be met and the corresponding justification. Any permit and/or regulatory requirements that CSA 70 submits in writing that cannot possibly be met, or that result from a force majeure, shall

not result in a breach of this Agreement. CSA 70 shall not be held liable for permit and/or regulatory non-compliance issues that result from a force majeure.

CSA 70's costs to operate, maintain, and manage the CITY's System are based on the requirements established by, but not limited to: EHS, SWRCB, RWQCB, EPA, and other local, state and/or federal government agencies. Should local, state, and/or federal regulatory agencies revise the CITY's permit requirements for wastewater at the CITY's System, CITY shall be responsible for any increased costs to CSA 70 for regulatory compliance.

CSA 70 shall inspect and maintain any CITY System logs in compliance with regulatory agency standards and requirements.

CSA 70 shall maintain the CITY's System components in accordance with original equipment manufacturers (OEM) specifications and standards and with best management business practices and standards.

CSA 70 shall be responsible for operating and maintaining the following:

1. **Wastewater Collection System** – staff shall maintain, per regulatory specifications as defined by the SWRCB and it's RWQCB, all wastewater collection pipeline (4-inches in diameter and larger) and related wastewater systems, including but not limited to: sewer pipelines, septic systems, manhole structures, pumps, motors, valves, check valves, cleanouts, dry/wet wells, flap gates, flow meters, grit collectors, wastewater electrical controls, air/vacuum relief valves, and associated wastewater collection system appurtenances.

Monthly Inspections:

CSA 70 shall provide monthly visual inspection of CITY's System (4-inch diameter and larger), including:

- a) Manhole Covers – approximately ten (10)
- b) Trench Conditions – (inspect for failures) of 1,450 lineal feet sewer mains and 1,350 lineal feet of laterals
- c) Lateral Cleanouts – approximately twenty (20)
- d) Seepage Pit Covers and Sewer Cleanouts
- e) Grease Interceptors – Inspect and review owner's maintenance plan for compliance and establish a timeline for each business
- f) Provide a monthly inspection report to CITY
- g) Monthly Reporting to the California Integrated Water Quality System (CIWQS)

Quarterly Inspections:

CSA 70 shall provide the following quarterly Inspections:

- a) Open manhole covers and cleanout covers for visual inspection (approximately 10 manhole and cleanout covers)
- b) Evaluate for any surcharge within the manholes (approximately 10)
- c) Evaluate one (1) 7,500 gallon septic tank and nine (9) seepage pits to determine the pumping needs
- d) Evaluate one (1) 2,500 gallon septic tank and seepage pit system for the visitor center
- e) Provide a monthly inspection report to CITY

## Annual Maintenance and Inspection:

CSA 70 shall provide the following annual maintenance and inspection, including:

- a) Clean and jet 2,800 linear feet of sewer main pipeline
- b) CCTV video inspection of 2,800 linear feet of sewer main pipeline
- c) Inspect and monitor the septic tank in accordance with the State Water Resources Control Board (SWRCB) Order WQ 2014-0153-DWQ Attachment C (Order)
- d) Pump the septic tanks and/or pits as required by the SWRCB Order
- e) Haul and dispose of sewage/effluent to an approved disposal site
- f) Identify and report any deficiencies within the sewer system to CITY for review and/or approval to repair
- g) Prepare an annual report in accordance with the SWRCB Order (excluding Item 7, Groundwater Monitoring)

CSA 70 shall evaluate and/or repair CITY's System sewer pipeline or plumbing issues (4-inches in diameter and larger) and may use on-call contractors to correct or repair any problems. Should CSA 70 staff observe equipment or system components that are outdated, inefficient, or on the verge of failure, CSA 70 staff shall remove and replace said equipment with CITY's preceding approval, with the exception of emergency repair or replacement. Costs for repair or replacement that exceeds \$75,000 (labor and material) may be referred to CSA 70's Engineering and Construction Division to be included in the annual capital improvement program. All capital improvement projects are subject to CITY's final approval. CSA 70 staff will, in coordination with CITY, review results of ongoing activities and inspections, and use the results to identify, prioritize, and budget for future maintenance.

**F. JOB STANDARDS** - All work performed by CSA 70 shall meet or exceed all applicable safety and environmental regulations. Workmanship shall be in the best management standard practices of the trade. Reasonable care will be taken while performing tasks in and around CITY property. The work area shall be clean and free of debris continuously throughout the workday.

**G. JOB SITE** - Work shall not impede business, create a nuisance, or endanger San Bernardino County employees and/or the public. CSA 70 shall take into consideration that during the course of the contract, CITY personnel and/or other contractors may conduct other activities and operations within and/or adjacent to the CITY's System.

**H. EQUIPMENT** - All equipment shall be of good commercial quality and shall be subject to the approval of CITY. Any CSA 70 equipment and tools stored in CITY owned areas will be clearly identified as CSA 70 owned equipment and stored in appropriate storage containers.

**I. OPERATION QUALIFICATIONS** – CSA 70 shall provide an operator for the CITY's wastewater collection system with the appropriate level of experience and/or operator certification as may be required by the SWRCB.

**J. COMMUNICATION** - CSA 70 shall communicate with CITY and other concerned San Bernardino County Departments, and be able to reasonably predict possible CITY wastewater system emergencies in order to maintain regulatory compliance.

**K. SAMPLES** - CSA 70 shall collect wastewater samples as necessary or as requested by CITY and transport them to a lab for analyses. CSA 70 shall collect wastewater samples in accordance with industry standards.

**L. TRAINING** – CSA 70 shall have the ability to provide safety and product training to on-site CITY personnel.

**M. ADDING/DELETING SERVICES** – CITY has the right to delete wastewater system services. The CITY Manager is authorized to delete services by notifying CSA 70 in writing of the services that will be deleted. CSA 70 agrees that payment to CSA 70 will only be for services and/or repairs provided. If CITY desires to add services or equipment to be maintained, the parties will negotiate a fee for service for the additional services and an amendment will be signed by CSA 70, and approved by the CITY Manager.

CSA 70 shall provide a guaranteed labor rate to provide additional services and repairs to the CITY's System not listed in this contract. CSA 70's Employee Productive Hourly Rate Schedule shall be used to establish a guaranteed labor rates. The Employee Productive Hourly Rate Schedule is adjusted annually and approved by the San Bernardino County Board of Supervisors.

## **II. CSA 70 GENERAL RESPONSIBILITIES**

**A. INDEPENDENT CAPACITY** - In the performance of this contract, CSA 70, its agents and its employees, shall act in an independent capacity and not as officers, employees, or agents of CITY.

**B. ASSIGNABILITY** - Without the prior written consent of CITY, this contract is not assignable by CSA 70 either in whole or in part.

**C. SUBCONTRACTING** - CSA 70 shall inform the CITY of any subcontracting agreements for work contemplated under this contract. All subcontractors shall be subject to the same terms and conditions as CSA 70. CSA 70 shall be fully responsible for the performance and payment of any subcontractor's contract.

**D. LABOR LAWS** - CSA 70 shall strictly adhere to the applicable provisions of the Labor Code regarding employment including, minimum wages, travel and subsistence pay, retention and inspection of payroll records, workers compensation, and payment of wages.

**E. PRIMARY CONTACT** - CSA 70 shall designate an individual to serve as the primary point of contact. CSA 70 or its designee must respond to CITY's non-emergency inquiries within two (2) business days. In the event that a problem or potential problem occurs, impacting the quality or quantity of work, or the level of performance under this contract, CSA 70 shall notify CITY within two (2) working days, in writing, and by telephone.

**F. RELEASE OF INFORMATION** - No news releases, advertisements, public announcements, or photographs arising out of this contract may be made or used without prior written approval from CITY, with the exception of the performance of those duties required to maintain adequate records or regulatory reporting requirements.

**G. RECORDS** - CSA 70 shall maintain all records and books pertaining to the delivery of services under this contract and demonstrate accountability for contract performance. Said records shall be kept and maintained within CSA 70. CITY staff shall have the right, upon reasonable notice and at reasonable hours of business, to examine and inspect such records and books.

**H. RIGHT TO MONITOR AND AUDIT** - CITY shall have absolute right to review and audit all records, books, papers, documents, and other contractually pertinent items as requested, and shall have the absolute right to monitor the performance of CSA 70 in the delivery of services provided under this contract. CSA 70 shall give full cooperation with all auditing and/or monitoring conducted. CSA 70 shall cooperate with CITY in the implementation, monitoring, and evaluation of this contract and comply with any and all reporting requirements established by CITY, EHS, SWRCB, and the EPA. In the event that the CITY determines that CSA 70's performance of its duties or other terms of this contract are deficient in any manner, CITY shall notify CSA 70 of such deficiency in writing, provided written confirmation is given five (5) days thereafter. CSA 70 shall remedy any deficiency within forty-eight (48) hours of such notification, or CITY, at its option, may terminate this contract immediately upon written notice.

**I. AVAILABILITY OF RECORDS** - All records pertaining to services delivered, and all fiscal, statistical, and management books and records shall be delivered to CITY representatives upon availability for storage in compliance with all county, state and federal requirements

### **III. CITY RESPONSIBILITIES**

**A. REPORTS, PLANS AND SPECIFICATIONS** - CITY shall provide to CSA 70 any and all reports, plans, maps, operations manuals, equipment specifications, or other documentation and data regarding the conditions, configuration, and construction of the CITY's System.

### **IV. INDEMNIFICATION**

CSA 70 agrees to indemnify, defend (with counsel reasonably approved by CITY) and hold harmless CITY and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this contract from any cause whatsoever, including CSA 70's acts, errors or omissions of any person and for any costs or expenses incurred by CITY on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnities. CSA 70's indemnification obligation applies to CITY's "active" as well as "passive" negligence but does not apply to CITY's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.

CITY agrees to indemnify, defend (with counsel reasonably approved by County) and hold harmless CSA 70 and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this contract from any cause whatsoever, including CITY's acts, errors or omissions of any person and for any costs or expenses incurred by CSA 70 on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnities. CITY's indemnification obligation applies to CSA 70's "active" as well as "passive" negligence but does not apply to CSA 70's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.

In the event that the CSA 70 and/ or CITY are determined to be comparatively at fault for any claim, action, loss or damage which results from their respective obligation under this agreement, CSA 70 and/ or CITY shall indemnify the other to the extent of its comparative fault.

V. **INSURANCE COVERAGE** – CSA 70 warrants that it is legally self-insured under a State approved program of self-insurance. Additionally, CSA 70 as the contractor shall adhere to the insurance coverage as detailed in Exhibit A.

VI. **FISCAL PROVISIONS**

A. The amount of reimbursement under this contract is **\$409,233.63** for operation, maintenance, management of the CITY’s wastewater collection system as detailed in the following table. An indirect administrative cost, currently set at 33.58% percent, is included within the total reimbursement amount and shall be included in all invoices. Indirect administrative costs are approved by the San Bernardino County Board of Supervisors and are subject to change annually.

Type	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Monthly Inspection	\$ 27,282.54	\$ 28,101.02	\$ 28,944.05	\$ 29,812.37	\$ 30,706.74
Quarterly Inspection	\$ 6,490.33	\$ 6,685.04	\$ 6,885.59	\$ 7,092.16	\$ 7,304.93
Annual Maintenance and Inspection	\$ 25,233.84	\$ 25,990.85	\$ 26,770.58	\$ 27,573.69	\$ 28,400.91
Base Emergency Response	\$ 18,074.31	\$ 18,616.54	\$ 19,175.04	\$ 19,750.29	\$ 20,342.80
<b>TOTAL:</b>	<b>\$ 77,081.02</b>	<b>\$ 79,393.46</b>	<b>\$ 81,775.26</b>	<b>\$ 84,228.52</b>	<b>\$ 86,755.37</b>
				<b>TOTAL:</b>	<b>\$ 409,233.63</b>

The base emergency costs are an estimate for emergency response. Actual costs for labor, vehicles, equipment, materials, and indirect administrative costs will be charged per emergency incident. CSA 70’s services and expenses incurred in the performance hereof include employee productive hourly rate, equipment, vehicles, materials, administrative costs, and travel.

B. CSA 70 shall submit invoices to CITY for services rendered on a monthly basis, in arrears, for costs incurred to perform operations, maintenance, and management duties for CITY’s Systems as described in this contract. CSA 70 shall charge a three percent (3%) annual increase to the total reimbursement cost for any future employee Compensation Plan for salary/benefit increases, annual equipment increases, or any materials increases that may occur during the term of the service agreement subject to the San Bernardino County Board of Supervisors approval.

C. Invoices submitted by CSA 70 to CITY shall include a breakdown of each service performed and the date the services were performed. Upon receipt of invoices, CITY shall submit payment to CSA 70 within forty-five (45) days.

VII. **TERM**

This contract is effective as of May 19, 2026, and expires on May 19, 2031, but may be terminated earlier in accordance with provisions of Section VIII of this contract.

VIII. **TERMINATION**

A. This contract may be terminated without cause upon sixty (60) days written notice by either party. The CITY Manager is authorized to exercise CITY’s rights with respect to termination of this contract. CSA 70’s Director is authorized to terminate this contract on behalf of CSA 70.

- B.** CSA 70 will only be reimbursed for costs and un-cancellable obligations incurred prior to the date of termination. CSA 70 will not be reimbursed for costs incurred after the date of termination. CITY shall pay CSA 70 for termination services to include, but not limited to: San Bernardino County Board of Supervisors approved productive hourly rate, vehicle/equipment rates, all materials at cost, plus indirect administrative costs.
- C.** If, during the term of this contract, CITY's funds appropriated for the purposes of this contract are reduced or eliminated, CITY may immediately terminate this contract upon written notice to CSA 70.
- D.** Upon termination, CSA 70 shall accomplish the complete transition of services from CSA 70 to CITY, or to any replacement provider designated by CITY, with minimal interruption of or adverse impact on the services. CSA 70 shall fully cooperate with CITY and any new service provider and promptly take steps required to effectuate the termination of service, including, but not limited to providing all requested information, required to assist CITY in completing the transition. CSA 70 shall provide all information regarding the services or as otherwise needed for Termination, including data conversion, files, interface specifications, training staff assuming responsibility, and related professional services. CSA 70 shall provide for the prompt and orderly conclusion of all work, as CITY may direct, including completion or partial completion of projects, documentation of work in process, and other measures to assure an orderly transition to CITY or CITY designee. All services related to Termination shall be performed by CSA 70 at no additional cost to CITY beyond what CITY would pay for the services absent the performance of the Termination services. CSA 70's obligation to provide the services shall not cease until the Termination is satisfactory to CITY, including all obligations of CSA 70 provided for in this paragraph.

Upon termination, CSA 70 shall also return to CITY, all CITY assets in CSA 70's possession. CSA 70 shall deliver to CITY or its designee, at CITY request, all documentation and data related to CITY that is held by CSA 70. CSA 70 may retain one (1) copy of the documentation and data for archival purposes.

## **IX. GENERAL PROVISION**

- A.** No waiver of any of the provisions of the contract documents shall be effective unless it is made in writing which refers to provisions so waived and which is executed by the Parties. No course of dealing and no delay or failure of a Party in exercising any right under any contract document shall affect any other future exercise of that right or any exercise of any other right. A Party shall not be precluded from exercising a right by its having partially exercised that right or its having previously abandoned or discontinued steps to enforce that right.
- B.** Any alterations, variations, modifications, or waivers of provisions of this contract, unless specifically allowed in this contract, shall be valid only when they have been reduced to writing, duly signed and approved by the Authorized Representatives of both parties as an amendment to this contract. NO oral understanding or agreement not incorporated herein shall be binding on any of the Parties hereto.
- C.** This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Agreement. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other email

transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request

[Signatures on next page.]

**IN WITNESS WHEREOF**, the Board of Supervisors of San Bernardino County, acting as the governing body of CSA 70, and City of Twentynine Palms. have each caused this agreement to be subscribed by their respective duly authorized officers, on its behalf.

COUNTY SERVICE AREA 70

CITY OF TWENTYNINE PALMS

*(Print or type name of corporation, company, contractor, etc.)*

►  
 \_\_\_\_\_  
 Dawn Rowe, Chair

By ► \_\_\_\_\_  
*(Authorized signature - sign in blue ink)*

Dated: \_\_\_\_\_  
 SIGNED AND CERTIFIED THAT A COPY OF THIS  
 DOCUMENT HAS BEEN DELIVERED TO THE  
 CHAIRMAN OF THE BOARD

Stone James, DPPD  
 Name \_\_\_\_\_  
*(Print or type name of person signing contract)*

Lynna Monell  
 Clerk of the Board

Title City Manager  
 \_\_\_\_\_  
*(Print or Type)*

By \_\_\_\_\_  
 Deputy

Dated: \_\_\_\_\_  
 6136 Adobe Road Twentynine Palms  
 Address CA 92277  
 \_\_\_\_\_

**FOR COUNTY USE ONLY**

Approved as to Legal Form _____ Aaron Gest, Deputy County Counsel Date _____	Reviewed for Contract Compliance _____ Date _____	Reviewed/Approved by Department _____ David Doublet, Assistant Director Date _____
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## EXHIBIT A

### INSURANCE REQUIREMENTS

Contractor shall procure and maintain for the duration of the contract, and for 2 years thereafter, 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 by the Contractor, his agents, representatives, employees, or subcontractors.

#### MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$5,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: Insurance Services Office Form CA 0001 covering Code 1 (any auto), with limits no less than \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employers' Liability insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. Contractors' Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions (if project involves environmental hazards) with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate. If the services involve lead-based paint or asbestos identification/remediation, the Contractors Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractors Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

If the contractor maintains broader coverage and/or higher limits than the minimums shown above for all policies, the Entity requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Entity.

#### Self-Insured Retentions

Self-insured retentions must be declared to and approved by the Entity. At the option of the Entity, either: the contractor shall cause the insurer shall to reduce or eliminate such self-insured retentions as respects the Entity, its officers, officials, employees, and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the Entity guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or Entity.

#### Other Insurance Provisions:

##### Additional Insured

The Entity, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of

the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).

### **Primary Insurance**

For any claims related to this project, the Contractor's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Entity, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Entity, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

### **Notice of Cancellation**

Contractor shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. In the event of any cancellation or reduction in coverage or limits of any insurance, Contractor shall forthwith obtain and submit proof of substitute insurance.

### **Acceptability of Insurers**

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the Entity.

### **Waiver of Subrogation**

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the Entity for all work performed by the Contractor, its employees, agents and subcontractors.

### **Verification of Coverage**

Contractor shall furnish the Entity with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to Entity before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The Entity reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

### **Subcontractors**

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that Entity is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.

### **Special Risks or Circumstances**

Entity reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances.