

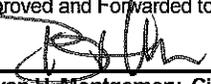


Agenda Date: 05/24/2016
Agenda Item: 3.6

STAFF REPORT

Date: May 24, 2016
To: City Council
From: Bryan Montgomery, City Manager
Subject: **Amendment to the Consulting Services Agreement with Dean Hurney Access Inspection**

Approved and Forwarded to City Council:


Bryan H. Montgomery, City Manager

Summary and Background

In October 2013, the City Council approved an agreement with Dean Hurney Access Inspection for Building Permit Center consulting services. That agreement included a \$65 per hour rate for services. The attached amendment would increase that amount to \$70 per hour effective July 1, 2016. We have been very pleased with the services provided and feel this increase is merited.

Fiscal Impact

The total cost of these services is estimated at \$67,200 for the upcoming fiscal year.

Recommendation

Adopt the resolution approving the first amendment to the Consulting Services Agreement with Dean Hurney Access Inspection and authorize the City Manager to execute the Agreement.

Attachments

1. Resolution
2. Proposed Amendment
3. Existing Consulting Services Agreement

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY
AUTHORIZING THE CITY MANAGER TO EXECUTE A FIRST AMENDMENT
TO THE SERVICES AGREEMENT BETWEEN THE CITY OF OAKLEY
AND DEAN HURNEY ACCESS INSPECTION**

BE IT RESOLVED by the City Council of the City of Oakley that the City Manager is hereby authorized and directed to sign on behalf of the City the First Amendment to the Services Agreement with Dean Hurney Access Inspection, a true and accurate copy of which is attached hereto.

The foregoing resolution was adopted at a regular meeting of the City Council of the City of Oakley held on the 24th day of May, 2016, by Councilmember _____, who moved its adoption, which motion being duly seconded by Councilmember _____, was upon voice vote carried and the resolution adopted by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

APPROVED:

Kevin Romick., Mayor

ATTEST:

Libby Vreno, City Clerk

Date

FIRST AMENDMENT

**SERVICES AGREEMENT BETWEEN
THE CITY OF OAKLEY AND DEAN HURNEY ACCESS INSPECTION**

THIS FIRST AMENDMENT TO THE AGREEMENT is made this the ____ day of May, 2016 by and between the City of Oakley, a municipal corporation (hereinafter called "CITY") and Dean Hurney Access Inspection, a sole proprietorship, (hereinafter called "COMPANY").

RECITALS

- A. On October 14, 2013 the CITY and COMPANY entered into a Services Agreement for building permit center services; and
- B. CITY continues to believe the services provided by COMPANY meet or exceed performance expectations; and
- C. CITY and COMPANY desire to again amend the Agreement.

NOW, THEREFORE, CITY and COMPANY hereby agree as follows:

- 1. Exhibit B is hereby amended to change the hourly fee for COMPANY to seventy (\$70) per hour effective July 1, 2016.
- 2. All other terms and conditions of the Agreement and First Amendment remain unchanged and are in full force and effect.

WHEREFORE, the parties hereto agree to the foregoing and execute this Second Amendment to the Agreement.

CITY:

COMPANY, Dean Hurney Access Inspection:

Bryan H. Montgomery, City Manager

Dean Hurney, Owner

Attest:

Libby Vreonis, City Clerk

Approved as to form:

William R. Galstan, Special Counsel



**SERVICES AGREEMENT BETWEEN
THE CITY OF OAKLEY AND
DEAN HURNEY ACCESS INSPECTION**

THIS AGREEMENT for services is entered into by and between the City of Oakley, a municipal corporation in the State of California (hereinafter referred to as "City") and Dean Hurney Access Inspection, a sole proprietorship, hereinafter referred to as ("Company") as of October 14, 2013 (the "Effective Date").

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Company shall provide to City the services described in the Scope of Work attached hereto and incorporated herein as Exhibit A. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 **Term of Services.** The term of this Agreement shall be based on hours worked and Company shall perform the duties outlined in Exhibit A not to exceed 960 hours prior to July 1, 2014, unless the term of the Agreement is otherwise terminated, as provided for in Section 8. Any time provided to Company to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.
- 1.2 **Standard of Performance.** Company shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Company is engaged in the geographical area in which Company practices its profession. Company shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Company's profession.
- 1.3 **Assignment of Personnel.** Company shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Company shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.
- 1.4 **Time.** Company shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.1 above and to satisfy Company's obligations hereunder.

Section 2. COMPENSATION. City hereby agrees to pay Company a sum not to exceed the amounts described in Exhibit B, notwithstanding any contrary indications that may be contained in Company's proposal, for services to be performed and reimbursable costs incurred under this Agreement. City shall pay Company for services rendered pursuant to this Agreement at the time

and in the manner set forth herein. The payments specified below shall be the only payments from City to Company for services rendered pursuant to this Agreement. Company shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Company shall not bill City for duplicate services performed by more than one person.

Company and City acknowledge and agree that compensation paid by City to Company under this Agreement is based upon Company's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Company. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Company and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 Invoices. Company shall submit invoices, not more often than twice per month during the term of this Agreement, based on the cost for services performed incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- The total number of hours of work performed under the Agreement by Company and each employee, agent, and subcontractor of Company performing services hereunder, as well as a separate notice which shall include an estimate of the time necessary to complete the work described in Exhibit A. The Company's billed hours shall not exceed 960 hours prior to July 1, 2014;
- The Company's principal's signature.

2.2 Bi-Monthly Payment. City shall make no more than bi-monthly payments, based on invoices received, for services satisfactorily performed. City shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Company.

2.3 Total Payment. City shall pay for the services to be rendered by Company pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Company in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Company submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment approved by the City Manager, which shall not exceed the maximum amount allowed by the Oakley Municipal Code.

2.4 Fees. Fees for work performed by Company on a \$65 per hour basis shall not exceed the amounts shown on the Compensation Schedule attached hereto and incorporated herein as Exhibit B.

- 2.5 **Reimbursable Expenses.** No reimbursements will be provided.
- 2.6 **Payment of Taxes.** Company is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.
- 2.7 **Payment upon Termination.** In the event that the City or Company terminates this Agreement pursuant to Section 8 of this Agreement, the City shall compensate the Company for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Company shall maintain adequate logs and timesheets in order to verify costs incurred to that date.
- 2.8 **Authorization to Perform Services.** The Company is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the City's Chief Building Official.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Company shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Company only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Company's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Company, at its own cost and expense, shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Company and its agents, representatives, employees, and subcontractors. Company shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the City, and that such insurance is in effect prior to commencing work under this Agreement. Company shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Company's fee. Company shall not allow any subcontractor to commence work on any subcontract until Company has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution. Verification of the required insurance is attached hereto and incorporated herein as Exhibit C.

- 4.1 **Variation.** The City may approve a variation in the insurance requirements, upon a determination that the coverage, scope, limit, and form of such insurance is either not commercially available, or that the City's interests are otherwise fully protected.
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4.2 Notice of Reduction in Coverage. In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Company shall provide written notice to City at Company's earliest possible opportunity and in no case later than five days after Company is notified of the change in coverage.

4.3 Remedies. In addition to any other remedies City may have if Company fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option, exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Company's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Company to stop work under this Agreement or withhold any payment that becomes due to Company hereunder, or both stop work and withhold any payment, until Company demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 5. INDEMNIFICATION AND COMPANY'S RESPONSIBILITIES. Company shall to the fullest extent allowed by law, with respect to all Services performed in connection with this Agreement, defend with counsel acceptable to the City, and indemnify and hold the City and its officials, officers, employees, agents, and volunteers harmless from and against any and all losses that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Company ("Claims"). Company will bear all losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such Claims, whether directly or indirectly ("Liability"). Such obligations to defend, hold harmless and indemnify the City shall not apply to the extent that such Liability is caused by the sole negligence, active negligence, or willful misconduct of the City.

With respect to third party claims against the Company, the Company waives any and all rights of any type of express or implied indemnity against the indemnitees.

However, notwithstanding the foregoing, in accordance with California Civil Code Section 1668, nothing in this Agreement shall be construed to exempt the City from its own fraud, willful injury to the person or property of another, or violation of law. In addition, and notwithstanding the foregoing, in accordance with California Civil Code Section 1668, nothing in this Agreement shall be construed to exempt the City from its own fraud, willful injury to the person or property of another, or violation of law. In addition, and notwithstanding the foregoing, to the extent this Agreement is a "construction contract" as defined by California Civil Code section 2783, as may be amended from time to time, such duties of Company to indemnify shall not apply when to do so would be prohibited by California Civil Code Section 2782.

Section 6. **STATUS OF COMPANY.**

- 6.1 **Independent Contractor.** At all times during the term of this Agreement, Company shall be an independent contractor and shall not be an employee of City and there is absolutely no employer-employee relationship hereby created. City shall have the right to control Company only insofar as the results of Company's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means by which Company accomplishes services rendered pursuant to this Agreement. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Company and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits.
- 6.2 **Company, Not Agent.** Except as City may specify in writing, Company shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Company shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. **LEGAL REQUIREMENTS.**

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Company and any subcontractors shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Company and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 **Licenses and Permits.** Company represents and warrants to City that Company and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Company represents and warrants to City that Company and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Company and any subcontractors shall obtain and maintain during the term of this Agreement valid business licenses from City.
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- 7.5 **Nondiscrimination and Equal Opportunity.** Company shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Company under this Agreement. Company shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement.

Company shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator of this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 **Termination.** City may cancel this Agreement at any time and without cause upon 30 days written notification to Company.

Company may cancel this Agreement upon 30 days written notice to City and shall include in such notice the reasons for cancellation.

In the event of termination, Company shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Company delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Company or prepared by or for Company or the City in connection with this Agreement.

- 8.2 **Amendments.** The parties may amend this Agreement only by a writing signed by all the parties.
- 8.3 **Assignment and Subcontracting.** City and Company recognize and agree that this Agreement contemplates personal performance by Company and is based upon a determination of Company's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Company. Company may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Company shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.
- 8.4 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Company shall survive the termination of this Agreement.
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- 8.5 Options upon Breach by Company.** If Company materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to the following:
- 8.5.1** Immediately terminate the Agreement;
 - 8.5.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Company pursuant to this Agreement;
 - 8.5.3** Retain a different Company to complete the work described in Exhibit A not finished by Company; or
 - 8.5.4** Charge Company the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Company pursuant to Section 2 of this Agreement if Company had completed the work.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Company's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Company prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Company hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Company agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both parties.
- 9.2 Company's Books and Records.** Company shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Company to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Company to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any
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audit of the City, for a period of three (3) years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Contra Costa or in the United States District Court for the Northern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.
- 10.6 Use of Recycled Products.** Company shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 Conflict of Interest.** Company may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Company in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Company shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Company hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Company was an employee, agent, appointee, or official of the City in the previous twelve months, Company warrants that it did not participate in any manner in the forming of this Agreement. Company understands that, if this Agreement is made in

violation of Government Code §1090 *et seq.*, the entire Agreement is void and Company will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Company will be required to reimburse the City for any sums paid to the Company. Company understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

10.8 Solicitation. Company agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

10.9 Contract Administration. This Agreement shall be administered by the City's Chief Building Official ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.

10.10 Notices.

Any written notice to Company shall be sent to:

Dean Hurney Access Inspection

Attn: Dean Hurney

1612 S. Francisco Court

Antioch, Ca. 94509

Any written notice to City shall be sent to:

City of Oakley

Attn: Chief Building Official

3231 Main Street

Oakley, CA 94561

10.11 Integration. This Agreement, including the Scope of Work, Compensation Schedule, Provisions Required for Public Works Contracts, and Insurance Requirements, attached hereto and incorporated herein as Exhibit A, B and C respectively, represents the entire and integrated agreement between City and Company and supersedes all prior negotiations, representations, or agreements, either written or oral.

Exhibit A Scope of Work

Exhibit B Compensation Schedule

Exhibit C Insurance Requirements

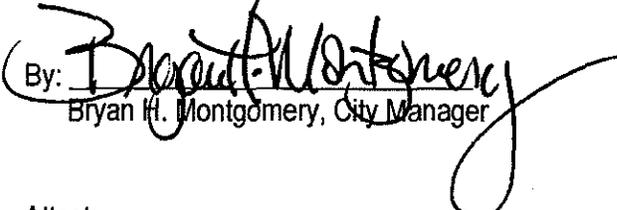
10.12 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

10.13 Authorized Signature. Each person and party signing this Agreement warrants that he/she has the authority to execute this Agreement on behalf of the principal and that the party will be bound by such signature.

The parties have executed this Agreement as of the Effective Date.

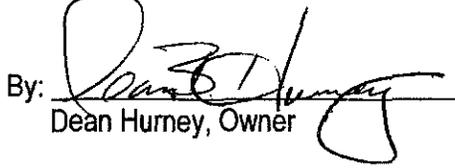
CITY

City of Oakley, a municipal corporation

By: 
Bryan H. Montgomery, City Manager

COMPANY

Dean Hurney Access Inspection, a sole proprietorship

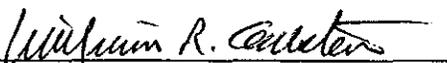
By: 
Dean Hurney, Owner

Attest:



Libby Vreonis, City Clerk

Approved as to Form:



William R. Galstan, Special Counsel

EXHIBIT A

SCOPE OF SERVICES

Company shall:

- Review building plans, specifications and checks calculations of buildings to ensure compliance with currently adopted codes; approves building permit applications prior to permit issuance; calculates building permit fees.
 - Prepare and maintain records of plans, plan reviews, inspections, letters and reports prepared or used in connection with all building permits.
 - Respond to questions regarding adopted codes from property owners, developers, contractors, engineers and architects; interprets codes.
 - Coordinate plan review and approvals with all other city departments for which approval is required as a precondition for a building permit.
 - Attend meetings and workshops and reads technical literature to keep current on codes.
 - Inspect new buildings, additions to and alterations of existing buildings for compliance with the currently adopted edition of the California Building Standards Code.
 - Evaluate existing buildings, on a compliant basis, for hazardous conditions and initiates abatements procedures per the currently adopted Code.
 - Coordinate with Code Enforcement, on a complaint basis, to inspect existing buildings for minimum fire and life safety requirements and when necessary initiates abatements procedures per the currently adopted Code.
 - Work with commercial business owners and owners of commercial buildings to ensure existing buildings have required code compliant accessibility features.
 - Coordinate with the Planning Department on preliminary reviews of developer pre-applications to identify any Code concerns prior to plans being completed and submitted.
 - Provide code analysis of Temporary Use Permits to ensure code compliance; specifically for accessibility.
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EXHIBIT B

COMPENSATION SCHEDULE

Company shall be paid an all-inclusive sixty-five dollars (\$65) per hour. It is estimated that Company shall provide services up to nine-hundred and sixty (960) hours per City fiscal year.

EXHIBIT C

INSURANCE REQUIREMENTS

Specific Insurance Requirements and Required Policy Limits

PROFESSIONAL SERVICES CONTRACTS:

Including, but not limited to architects, engineers, Companies, counselors, attorneys and accountants.

Company shall procure and maintain for the duration of its 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 hereunder by the Company, his agents, representatives, employees or subcontractors.

Minimum scope of coverage

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability insurance. (Not required if sole employee)
4. Errors and Omissions liability insurance appropriate to the Company's profession. Architects and Engineers coverage shall be endorsed to include contractual liability.

Minimum limits of insurance

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage including operations, products and completed operations. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately for this project/location or the general aggregate limit shall be twice the required occurrence limit (e.g. \$2,000,000).
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
4. Errors and Omissions Liability: \$1,000,000 per occurrence.

Other insurance provisions

The Commercial General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its officers, officials, employees and volunteers are to be covered as insured as respects: liability arising out of work or operations as performed by or on behalf of Company; or automobiles owned, leased, hired or borrowed by the Company.
 2. For any claims related to this project, the Company's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any
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insurance or self-insurance maintained by the City, its officers, officials, employees and volunteers shall be in excess of the Company's insurance and shall not contribute with it.

3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be cancelled by either party, unless thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.

Waiver of Subrogation

The Workers' Compensation policy is to be endorsed with a waiver of subrogation. The insurance company, in its endorsement, agrees to waive all rights of subrogation against the City, its officers, officials, employees and volunteers for losses paid under the terms of this policy which arises from the work performed by the named insured for the City.

Deductibles and Self-Insurance Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers, or the Company shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise approved in writing by the City.

Verification of Coverage

Company shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the City or on other than the City's forms provided those endorsements conform to the City's requirements. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

Subcontractors

Company shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated herein.
