



City of Imperial  
Public Services Department

# LABOR COMPLIANCE CONSULTING SERVICES

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## REQUEST FOR PROPOSAL

P2022-03

SHOP TANK RECOATING PROJECT

*Project Funded by: City Funds*

Point of Contact:  
City Clerk's Office  
Jillian Mehdipour, Public Records Analyst  
420 S. Imperial Avenue  
Imperial, CA 92251  
760.355.3334  
[jmehdipour@cityofimperial.org](mailto:jmehdipour@cityofimperial.org)

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## **ATTACHMENT A**

### **CITY OF IMPERIAL REQUEST FOR PROPOSALS FOR SHOP TANK RECOATING PROJECT RFP 2022-03**

NOTICE IS HEREBY GIVEN that the City of Imperial, acting by and through its CITY COUNCIL, hereinafter referred to as the "CITY", will receive up to, but no later 3:00 P.M. on Tuesday, April 5, 2022, PROPOSALS for negotiation and award of a contract concerning Labor Compliance Consulting Services.

To be considered, one original and two (2) copies of PROPOSALS must be received in the office of the CITY CLERK, 420 South Imperial, CA, California, 92251, Attention: Jillian Mehdipour, Public Record Analyst, by the time specified above.

It is the CITY's intention to select the Consultant whose proposal is deemed to be most advantageous to the CITY in accordance with the evaluation criteria set forth in this Request for Proposals. The Public Services Department will review and score the proposals and recommend the most responsive and responsible firm to receive the contract award. City staff recommendation will be forwarded to the IMPERIAL CITY COUNCIL for final determination.

Each proposal must conform and be responsive to the City of Imperial's Governing Agreement, a copy of which is attached as Attachment C. This Governing Agreement may also be obtained at the offices of the Public Services Department located at 420 South Imperial Avenue, Imperial CA 92251.

The CITY reserves the right to reject any or all PROPOSALS, or to waive any irregularities or informalities in any qualifications or in the selection process. Disadvantaged Business Enterprises (DBE), Minority Business Enterprises (MBE), Women Business Enterprises (WBE), and Veteran Owned Businesses (VOB) are encouraged to participate.

Questions regarding the proposal should be directed to Jisela Solorzano, Administrative Assistant, City of Imperial at (760) 355-2155 or via email: [jsolorzano@cityofimperial.org](mailto:jsolorzano@cityofimperial.org).

## ATTACHMENT B

### INFORMATION FOR PROPOSERS

#### 1.0 PURPOSE

The CITY, through the Public Services Department, is soliciting competitive proposals from qualified experienced individuals or firms to provide Labor Compliance Consulting Services for the ***Shop Tank Recoating Project*** funded by City Funds. Final selection of individual or firm will be contingent upon approval from the Imperial City Council. All communications relating to this RFP must be directed to the contact person named above and only through email or written correspondence. Any other forms of communications between a respondent and CITY's staff concerning this RFP are prohibited. In no instance is a respondent to discuss cost information, quality of responses, names of additional respondents, or any other information requested by or contained in a proposal with the point of contact or any other staff prior to proposal evaluation. Failure to comply with this section may result in CITY's disqualification of the proposal. The respondent is responsible for ensuring the response is received before the deadline. The CITY will accept proposals via email and US mail. CITY assumes no responsibility for lost or misrouted mail. The term of the Agreement for services will be for the duration of the ***Shop Tank Recoating Project***.

**Construction Cost Estimate: \$ 825, 000**

**Time of Completion: Ninety (90) consecutive calendar days.**

Approved Improvement plans may be obtained on our website: [www.cityofimperial.org](http://www.cityofimperial.org)

#### 2.0 CALENDAR OF EVENTS

2.1	RFP issued	March 24, 2022
2.2	Deadline for City to receive written questions	March 29, 2022
2.4	Written responses for questions received will be available	April 1, 2022
2.5	Package, References, and other documentation must be received by the City no later than 3:00 P.M. on	April 5, 2022
2.6	City Council Award Proposal	May 18, 2022

### 3.0 SCOPE OF SERVICES

The individual or firm will perform these services under the supervision and direction of the Public Services Director. The CITY wishes to contract with an individual or firm for the duration of the Airport Loop Waterline Improvements.

3.1 The Consultant shall be responsible for assisting the CITY with activities needed to ensure that workers employed by the CITY's contractors and their subcontractors are hired and paid in compliance with all applicable labor standards.

3.2 The Consultant shall serve as the primary contact person for the CITY's contractors and their subcontractors for issues related to labor compliance standards. The Consultant shall attend pre-construction meetings to provide contractors and their subcontractors with informational materials and requirements regarding labor compliance standards and to review the labor compliance standards applicable to each project.

3.3 The Consultant shall immediately inform the CITY of any changes or developments regarding issues of federal or California compliance.

3.4 Prior to each bid advertisement, the Consultant shall obtain the most current and applicable wage decisions information and provide this in a timely manner to all prospective contractors and subcontractors. Thereafter, the Consultant shall immediately inform the contractors and their subcontractors of any changes or developments regarding issues of labor compliance, relevant to their contract performance for the City of Imperial.

3.5 Prior to commencement of contractors' or subcontractors' work, the Consultant shall provide verification that their licenses are current and active with the California State Contractor's License Board and they are not on a federal debarment list.

3.6 The Consultant shall provide the CITY and its contractors and their subcontractors with all required labor compliance standards contract language for inclusion in all applicable contracts to be executed by the CITY and its contractors.

3.7 The consultant must conduct all interviews at the work site. Interviews may occur at random, without providing previous notification to their contractor and subcontractor.

3.8 The Consultant shall respond promptly to all Requests for Information by the CITY and its contractors and their subcontractors for information pertaining to Federal and California labor compliance standards.

3.9 The Consultant shall immediately inform the CITY whenever a contractor or subcontractor is found to be out of compliance with applicable labor standards.

3.10 The Consultant shall assist the CITY with contractors' applications for progress payments.

3.11 The Consultant shall promptly review the Certified Payroll Reports (CPRs) as received and notify the prime contractor of any deficiencies in wages, overtime compensation, incomplete or inaccurate CPRs, and/or incomplete or inaccurate Statements of Compliance.

3.12 The Consultant shall maintain all original documentation in an organized, manageable and current status and make it available to the CITY for review at any time.

3.13 The Consultant shall prepare and submit in a timely manner, all monthly, semiannual and final reports, so that the CITY has sufficient time for review prior to submitting them to the State of California.

3.14 At the conclusion of a project, the Consultant shall provide to the CITY, all CPRs and all other documentation and correspondence related to the project.

3.15 If requested, the Consultant shall participate in Labor Compliance Monitoring conducted by the State of California, at a time and place specified by the CITY and the State of California.

#### 4.0 MANDATORY REQUIREMENTS FOR ALL PROPOSALS

4.1 All proposals must demonstrate that the consultant has a willingness and ability to comply with all documents, including but not limited to, the Governing Agreement identified as Attachment C.

4.2 All proposals must be accompanied with the name(s), title(s) and resume(s) of the individual(s) who will be performing the services should the contract be awarded.

4.3 All parties submitting proposals shall include with their proposals at least three (3) current references, including name, address, and telephone number.

#### 5.0 CONTRACT TERMS AND CONDITIONS

Please refer to Attachment C, Governing Agreement. Attachment C is a draft agreement to be used as a sample of the agreement that the winning party will be expected to sign. It is not the final agreement and there may be additional or different terms included in the final agreement.

#### 6.0 PREPARATION OF PROPOSAL

All statements of proposals must include an original and three copies to be submitted in envelopes bearing on the outside the name of the individual or firm, address, and the title of the RFP for which the qualifications are being submitted. It is the sole responsibility of respondent to ensure that proposals are received by the CITY in the proper time. Any proposals received after the

scheduled closing time for receipt will be returned to the individual or firm unopened. Proposals are not accepted via facsimile and telegraph. Accepted methods of delivery are personal delivery, United States Postal Service or other delivery services such as FedEx or United Parcel Service.

## 7.0 SIGNATURE

The statement of qualifications document or any modification must be signed in the name of the individual and must bear the original signature of the person or persons authorized to sign the proposal.

## 8.0 MODIFICATIONS

Any modification of any proposals submitted must be in writing and received by CITY prior to the closing time for proposals. Modifications may be submitted by personal delivery, United States Postal Service or other delivery services such as FedEx or United Parcel Service. Any qualifications or modifications received after the scheduled closing time for receipt of statement of qualifications will be returned to the consultant unopened.

## 9.0 ERASURES

Proposals submitted must not contain any erasures, interlineations, or other corrections unless each such correction is suitably authenticated by putting in the margin immediately opposite the correction the surname or surnames of the person or persons signing the statement of qualifications.

## 10.0 WITHDRAWAL OF PROPOSALS

Respondents may withdraw their proposals either personally or by written request at any time prior to the scheduled closing time for receipt of proposals.

## 11.0 PROPOSAL ELEMENTS

Proposals must address each of the elements in this section.

### 11.1 Statement of Qualifications

- a. Relevant Experience: All services shall be performed by qualified personnel under the supervision of a professional licensed or otherwise qualified by the state. Include the names, addresses and phone numbers of contact persons for several contracts for which you have performed services as solicited in this RFP.
- b. Relevant Education: Applicant's demonstration of certification and training required to perform services.
- c. Responsiveness to Project Requirements: Applicant's demonstrated success in completing projects on time and responsiveness to meeting changing

requirements. Attentiveness to and compliance with RFP instructions, interview requirements, and other aspects of the selection process will be considered as an indication of responsiveness.

d. A brief statement of your policy regarding affirmative action.

e. The Appraiser shall carry not less than the following insurance and shall provide verification to the CITY upon request:

1. Professional Liability Insurance: Errors and Omissions Insurance in an amount of at least \$1,000,000 single limit coverage, covering all personnel employed by the Consultant in the capacity of acting as an Agent of the municipality.

2. General Liability Insurance: General Liability Insurance in an amount of at least \$1,000,000, single limit coverage, covering all personnel employed by the Consultant in the capacity of acting as an Agent of the municipality.

3. Worker's Compensation: Worker's Compensation Coverage in full compliance with California statutory requirements for all personnel employed by the Consultant in the capacity of acting as an Agent of the municipality.

4. Automobile Liability Insurance: Automobile Liability Insurance in an amount of at least \$1,000,000 combined single limit coverage including owned, non-owned and hired vehicles.

## 11.2 Proposed Scope of Work

A prospective Consultant should indicate an understanding of the requested services as described in Section 3, Scope of Services, and describe how it proposes to service the CITY in these aspects.

## 11.3 Project Personnel and Their Availability

Provide resume(s) of the key personnel who would be assigned to perform the services as described. Indicate status of each person's relationship to your firm, whether an employee, partner, subcontractor, or other contractual agreement. The statement should also identify for each member of the project team, their area of expertise, role in the project, and experience with similar or related projects.

11.3.1 Qualified personnel shall perform all services and shall maintain all necessary certificates and licenses required to perform such services.

11.3.2 Except when, and if, the workload demands otherwise, all services shall be conducted within the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday.



#### 11.4 Cost of Proposed Services

The cost of the Labor Compliance Services shall be based on the fee schedule proposed and work authorized. Describe your proposed fee schedule for determining the cost of the requested services for the term of the contract. Billing for the services shall be submitted to the City of Imperial, Public Services Department, 420 S. Imperial Avenue, Imperial, CA 92251.

#### 11.5 Time

Subject to any limitations stated in this proposal, the specified Labor Compliance Consultant Services shall be completed and delivered to the Public Services Director within 10 calendar days after written authorization to proceed is received, barring circumstances beyond the Consultant's control that force a delay. In such instance, the Consultant will inform the Public Services Director of the cause of such delay.

#### 11.6 Protection of Property

The Consultant shall take all reasonable precautions to prevent damage to property, visible and concealed, and shall reasonably restore the site to the condition existing prior to the Consultant's entry.

#### 12.0 SELECTION PROCESS

The City of Imperial will review the qualifications based on the selection criteria and 100-point scale as follows:

1.	General firm and individual experience:	10 points
2.	Specific experience in sandblasting, coating & painting, cathodic protection and familiar with Title 22 Regulation projects:	20 points
3.	Specific experience as it pertains to the Scope of Work above mentioned in Item 3.0:	20 points
4.	Capacity to perform the Scope of Work and ability to conclude the work in a timely manner:	15 points
5.	Quality of staff and their availability:	15 points
6.	Overall quality of qualifications, especially thoroughness:	5 points
7.	Cost of Services:	15 points
	TOTAL VALUE:	100 points

Additional questions may be asked to respondents and formal interviews may be conducted as well. Respondents will be notified of any additional required information or interviews after written proposals have been evaluated. The CITY reserves the right to reject any and all qualifications submitted; to request clarification of services submitted; to request additional information; and to waive any irregularity in the qualifications and review process, as long as CITY procedures remain consistent with procurement requirements. The CITY may select one consulting firm or a combination of consulting firms to provide the range of services requested.

### 13.0 PROHIBITION AS SUBCONTRACTORS UNDER COMPETITIVE PROPOSALS

No party submitting a proposal who is permitted to withdraw a proposal shall, for compensation, perform any subcontract or other service for the person or firm to whom the contract is awarded or otherwise benefit, directly or indirectly, from the performance of the project for which the withdrawn proposal was submitted.

### 14.0 FEDERAL REGULATIONS

#### 14.1 Affirmative Action

The work to be performed under this contract is on a project funded by City Funds. CITY hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement, disadvantaged, minority and women's business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, religious creed, sex, or national origin in consideration for an award. Minority- and women-owned and operated businesses are encouraged to apply.

#### ~~14.2 Section 3~~

~~The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the HUD, , and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low and moderate income persons residing within the project area and that the contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by persons residing in the area of the project. Regulations for implementing the Section 3 clause are contained in 24 CFR 135.~~

14.3 Federal Terms and Conditions During the performance of the contract, the Contractor must agree to comply with all applicable Federal laws and regulations including but not limited to each of the following:

## A. Equal Opportunity

During the performance of this Contract, the Contractor agrees as follows:

1. The Contractor will comply with Executive Order 11246 of September 24, 1965 entitled Equal Employment Opportunity as amended by Executive Order 11375 of October 1967 as supplemented in Department of Labor regulations (41 CFR Chapter 60).
2. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed and that employees are treated equally during employment, without regard to race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment upgrading, demotion, transfer, recruitment, or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the CITY setting forth the provision of the nondiscrimination clause.
3. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to their race, color, religion, sex, or national origin.
4. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
5. The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to this books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
6. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules,

regulations, or orders, this contract may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7. The Contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order N. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States or enter into such litigation to protect the interests of the United States.
8. The contractor shall file, and shall cause each of his subcontractors to file, Compliance Reports with the contracting agency or the Secretary of Labor as may be directed. Compliance Reports shall be filed within such times and shall contain such information as to the practices, policies, programs, and employment policies, programs, and employment statistics of the contractor and each subcontractor, and shall be in such form, as the Secretary of Labor may prescribe.
9. Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of the Order, or any preceding similar Executive order, and in that event to submit, on behalf of themselves and their proposed subcontractors, Compliance reports prior to or as an initial part of their bid or negotiation of a contract.
10. Whenever the Contractor or subcontractor has a collective bargaining agreement or other Contract or understanding with a labor union or an agency referring workers or providing or supervising apprenticeship or training for such workers, the compliance Report shall include such information as to such labor union's or agency's practices and policies affecting compliance as the Secretary of Labor may prescribe: Provided, that to the extent such information is within the exclusive possession of a labor union or an agency referring workers or

providing or supervising apprenticeship or training and such labor union or agency shall refuse to furnish such information to the Contractor, the Contractor shall so certify to the Secretary of Labor as part of its Compliance Report and shall set forth what efforts he/she has made to obtain such information.

11. The Secretary of Labor may direct that any bidder or prospective contractor or subcontractor shall submit, as part of his Compliance Report, a statement in writing, signed by an authorized officer or agent of behalf of any labor union or any agency referring workers or providing or supervising apprenticeship or other training, with which the bidder or prospective contractor deals, with supporting information, to the effect that the signer's practices and policies do not discriminate on the grounds of race, color, religion, sex or national origin, and that the signer either will affirmatively cooperate in the implementation of the policy and provision of this order or that it consents and agrees that recruitment, employment, and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the order. In the event that the union, or the agency shall refuse to execute such a statement, the Compliance Report shall so certify and set forth what efforts have been made to secure such a statement and such additional factual material as the Secretary of Labor may require.
12. The Contractor will cause the forgoing provision to be inserted in all subcontracts for work covered by this Agreement so that such provisions will be binding upon each subcontractor, provided that the forgoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

B. Disadvantaged/Minority/Women Business Enterprise Federal Regulatory Requirements under 24 CFR 85.36(e)

1. The Contractor will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.
2. Affirmative steps shall include:
  - a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

- b. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
- d. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;
- e. Using the Services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.

C. Copeland "Anti-Kickback" Act (18 U.S.C. 874)

Contractor shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3).

D. Compliance with Labor Standard Provisions

Contractor shall comply with all provisions contained in the form HUD-4010, Federal Labor Standards Provisions.

E. Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330)

Contractor will comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5). Requires the contracting officer to insert the clauses set forth in 29 CFR Part 5, construction contracts awarded by grantees and sub grantees in excess of \$2,000, and in excess of \$2,500 for other contracts which involve the employment of mechanics or laborers).

F. Requirements and Regulations pertaining to Data and Design

All data and design and engineering work created under this Agreement shall be owned by the CITY and shall not be subject to copyright protection. The rights to any invention which is developed in the course of this Agreement shall be the property of the CITY.

G. Requirements and Regulations Pertaining to Reporting

The CITY, State, and the Comptroller General of the United States of any of their duly authorized representatives shall be granted access to any books, documents, papers and recorders of Contractor which are directly pertinent the contract.

#### H. Compliance with Clean Air Act and Clean Water Act

1. Contractor shall comply with all applicable standards, orders and requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857 (h)).
2. Contractor shall comply with all applicable standards, orders and requirements issued under Section 508 of the Clean Air Act (33 U.S.C. 1368).
3. Contractor shall comply with Executive Order 11738 and Environmental Protection Agency regulations (40 CFR Part 15).

#### I. Compliance with Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871)

The Contractor shall comply with the mandatory standards and policies relating to energy efficiency with are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

#### D/MBE/WBE Implementation Guidelines

The following information, as applicable, shall be retained by Contractor and produced upon request by General Services if determined by General Services to be necessary to establish the bidder's "good faith efforts" to meet the Disadvantaged/Minority/Women Business Enterprise (D/M/WBE) requirements:

1. The names and dates of advertisement of each newspaper, trade paper, and minority-focus paper in which a request for D/M/WBE participation for this project was placed by the bidder.
2. The names and dates of notices of all certified D/M/WBEs solicited by direct mail for this project and the dates and methods used for following up initial solicitations to determine with certainty whether the D/M/WBEs were interested.
3. The items of work for which the bidder request sub bids or materials to be supplied by D/M/WBEs, the information furnished interested D/M/WBEs in the way of plans, specifications and requirements for the work, and any breakdown of items of work into economically feasible units to facilitate D/M/WBE participation. Where there are D/M/WBEs available for doing portions of the work normally performed by the bidder with his own forces, the bidder will be expected to make portions of such work available for D/M/WBEs to bid on.
4. The names of D/M/WBEs who submitted bids for any of the work indicated in (3) above, which were not accepted, and summary of the bidder's discussions

and/or negotiations with them, the name of the subcontractor or supplier that was selected for that portion of work, and the reasons for the bidder's choice. If the reason for rejecting the D/M/WBE bid was price, give the price bid by the rejected D/M/WBE and the price bid by the selected subcontractor or supplier.

5. Assistance that the bidder has extended to D/M/WBEs identified in (4) above to remedy the deficiency in their sub bids.

6. To find a D/M/WBE certified firm, you may call (916) 455-3520, go online to: <http://www.dot.ca.gov/hq.bep>, or via email at: D/M/WBE Caltrans-Publications Distribution Unit, 1900 Royal Oaks, Sacramento, CA 95815-3800.



## ATTACHMENT C

### PROFESSIONAL SERVICE AGREEMENT FOR NON-CONSTRUCTION PROJECT “LABOR COMPLIANCE SERVICES”

This PROFESSIONAL SERVICE AGREEMENT (PSA) FOR NON-CONSTRUCTION PROJECT (“AGREEMENT”), is made and effective as of [Insert date], between the (“AGENCY”) CITY OF IMPERIAL, a municipal corporation and [Insert consultant], [a sole proprietorship, partnership, limited liability partnership, corporation] (“CONSULTANT”). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

#### I. TERM

This AGREEMENT shall commence on [Insert date] and shall remain and continue in effect until tasks described herein are completed, but in no event later than [Insert date] unless sooner terminated pursuant to the provisions of this AGREEMENT.

#### II. SERVICES

CONSULTANT shall perform the tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. CONSULTANT shall complete the tasks according to the schedule of performance which is also set forth in Exhibit A. To the extent that Exhibit A is a proposal from CONSULTANT, such proposal is incorporated only for the description of the scope of services and no other terms and conditions from any such proposal shall apply to this AGREEMENT unless specifically agreed to in writing.

#### III. PERFORMANCE

CONSULTANT shall at all times faithfully, competently and to the best of his/her ability, experience, and talent, perform all tasks described herein. CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of CONSULTANT hereunder in meeting its obligations under this AGREEMENT.

#### IV. AGENCY MANAGEMENT

Agency’s [Insert title] shall represent AGENCY in all matters pertaining to the administration of this AGREEMENT, review and approval of all products submitted by CONSULTANT, but not including the authority to enlarge the Tasks to Be Performed or change the compensation due to CONSULTANT. Agency’s Manager shall be authorized to act on AGENCY’s behalf and to execute all necessary documents which enlarge the Tasks to Be Performed or change CONSULTANT’s compensation, subject to Section 5 hereof.

**V. PAYMENT**

- A. The AGENCY agrees to pay CONSULTANT monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed [Insert amount] dollars (\$\_\_.00) for the total term of the AGREEMENT unless additional payment is approved as provided in this AGREEMENT.
- B. CONSULTANT shall not be compensated for any services rendered in connection with its performance of this AGREEMENT which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the Agency Manager. CONSULTANT shall be compensated for any additional services in the amounts and in the manner as agreed to by Agency Manager and CONSULTANT at the time AGENCY's written authorization is given to CONSULTANT for the performance of said services. The Agency Manager may approve additional work not to exceed ten percent (10%) of the amount of the AGREEMENT, but in no event shall such sum exceed ten-thousand dollars (\$10,000.00). Any additional work in excess of this amount shall be approved by the Governing Board.
- C. CONSULTANT will submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the AGENCY disputes any of CONSULTANT's fees it shall give written notice to CONSULTANT within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this AGREEMENT shall be made within forty-five (45) days of receipt of an invoice therefore.

**VI. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE**

- A. The AGENCY may at any time, for any reason, with or without cause, suspend or terminate this AGREEMENT, or any portion hereof, by serving upon the CONSULTANT at least ten (10) days prior written notice. Upon receipt of said notice, the CONSULTANT shall immediately cease all work under this AGREEMENT, unless the notice provides otherwise. If the AGENCY suspends or terminates a portion of this AGREEMENT such suspension or termination shall not make void or invalidate the remainder of this AGREEMENT.
- B. In the event this AGREEMENT is terminated pursuant to this Section, the AGENCY shall pay to CONSULTANT the actual value of the work performed up to the time of termination, provided that the work performed

is of value to the AGENCY. Upon termination of the AGREEMENT pursuant to this Section, the CONSULTANT will submit an invoice to the AGENCY pursuant to Section 5.

## **VII. DEFAULT OF CONSULTANT**

- A. The CONSULTANT's failure to comply with the provisions of this AGREEMENT shall constitute a default. In the event that CONSULTANT is in default for cause under the terms of this AGREEMENT, AGENCY shall have no obligation or duty to continue compensating CONSULTANT for any work performed after the date of default and can terminate this AGREEMENT immediately by written notice to the CONSULTANT. If such failure by the CONSULTANT to make progress in the performance of work hereunder arises out causes beyond the CONSULTANT's control, and without fault or negligence of the CONSULTANT, it shall not be considered a default.
- B. If the Agency Manager or his/her designee determines that the CONSULTANT is in default in the performance of any of the terms or conditions of this AGREEMENT, he/she shall cause to be served upon the CONSULTANT a written notice of the default. The CONSULTANT shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the CONSULTANT fails to cure its default within such period of time or fails to present the AGENCY with a written plan for the cure of the default, the AGENCY shall have the right, notwithstanding any other provision of this AGREEMENT, to terminate this AGREEMENT without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this AGREEMENT.

## **VIII. OWNERSHIP OF DOCUMENTS**

- A. CONSULTANT shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by AGENCY that relate to the performance of services under this AGREEMENT. CONSULTANT shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. CONSULTANT shall provide free access to the representatives of AGENCY or its designees at reasonable times to such books and records; shall give AGENCY the right to examine and audit said books and records; shall permit AGENCY to make transcripts or copies therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this AGREEMENT. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

- B. Upon completion of, or in the event of termination or suspension of this AGREEMENT, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this AGREEMENT shall become the sole property of the AGENCY and may be used, reused, or otherwise disposed of by the AGENCY without the permission of the CONSULTANT. With respect to computer files, CONSULTANT shall make available to the AGENCY, at the CONSULTANT's office and upon reasonable written request by the AGENCY, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. CONSULTANT hereby grants to AGENCY all right, title, and interest, including any copyright, in and to the documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared by CONSULTANT in the course of providing the services under this AGREEMENT.

## **IX. INDEMNIFICATION AND DEFENSE**

### **A. Indemnity**

To the fullest extent permitted by law, CONSULTANT shall indemnify and hold harmless AGENCY and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including legal counsel's fees and costs, caused in whole or in part by the negligent or wrongful act, error or omission of CONSULTANT, its officers, agents, employees or subconsultants (or any agency or individual that CONSULTANT shall bear the legal liability thereof) in the performance of services under this AGREEMENT. CONSULTANT's duty to indemnify and hold harmless AGENCY shall not extend to the AGENCY's sole or active negligence.

### **B. Duty to defend**

In the event the AGENCY, its officers, employees, agents and/or volunteers are made a party to any action, lawsuit, or other adversarial proceeding arising from the performance of the services encompassed by this AGREEMENT, and upon demand by AGENCY, CONSULTANT shall defend the AGENCY at CONSULTANT's cost or at AGENCY's option, to reimburse AGENCY for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters to the extent the matters arise from, relate to or are caused by CONSULTANT's negligent acts, errors or omissions. Payment by AGENCY is not a condition precedent to enforcement of this indemnity. In the event of any dispute between CONSULTANT and AGENCY, as to whether liability arises from the sole or active negligence of the AGENCY or its officers, employees, or agents, CONSULTANT will be obligated to pay for AGENCY's defense until such time as a final judgment has been entered adjudicating the AGENCY

as solely or actively negligent. CONSULTANT will not be entitled in the absence of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

**X. INSURANCE**

CONSULTANT shall maintain prior to the beginning of and for the duration of this AGREEMENT insurance coverage as specified in Exhibit C attached to and part of this AGREEMENT.

**XI. INDEPENDENT CONSULTANT**

- A. CONSULTANT is and shall at all times remain as to the AGENCY a wholly independent consultant and/or independent contractor. The personnel performing the services under this AGREEMENT on behalf of CONSULTANT shall at all times be under CONSULTANT's exclusive direction and control. Neither AGENCY nor any of its officers, employees, or agents shall have control over the conduct of CONSULTANT or any of CONSULTANT's officers, employees, or agents, except as set forth in this AGREEMENT. CONSULTANT shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the AGENCY. CONSULTANT shall not incur or have the power to incur any debt, obligation, or liability whatever against AGENCY, or bind AGENCY in any manner.
- B. No employee benefits shall be available to CONSULTANT in connection with the performance of this AGREEMENT. Except for the fees paid to CONSULTANT as provided in the AGREEMENT, AGENCY shall not pay salaries, wages, or other compensation to CONSULTANT for performing services hereunder for AGENCY. AGENCY shall not be liable for compensation or indemnification to CONSULTANT for injury or sickness arising out of performing services hereunder.

**XII. LEGAL RESPONSIBILITIES**

The CONSULTANT shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this AGREEMENT. The CONSULTANT shall at all times observe and comply with all such laws and regulations. The AGENCY, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the CONSULTANT to comply with this Section.

**XIII. UNDUE INFLUENCE**

CONSULTANT declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the AGENCY in connection with the award, terms or implementation of this AGREEMENT, including any method of coercion, confidential financial arrangement, or financial

inducement. No officer or employee of the AGENCY has or will receive compensation, directly or indirectly, from CONSULTANT, or from any officer, employee or agent of CONSULTANT, in connection with the award of this AGREEMENT or any work to be conducted as a result of this AGREEMENT. Violation of this Section shall be a material breach of this AGREEMENT entitling the AGENCY to any and all remedies at law or in equity.

**XIV. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES**

No member, officer, or employee of AGENCY, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this AGREEMENT.

**XV. RELEASE OF INFORMATION/CONFLICTS OF INTEREST**

- A. All information gained by CONSULTANT in performance of this AGREEMENT shall be considered confidential and shall not be released by CONSULTANT without AGENCY's prior written authorization. CONSULTANT, its officers, employees, agents, or subconsultants, shall not without written authorization from the Agency Manager or unless requested by the Agency Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this AGREEMENT or relating to any project or property located within the AGENCY. Response to a subpoena or court order shall not be considered "voluntary" provided CONSULTANT gives AGENCY notice of such court order or subpoena.
  
- B. CONSULTANT shall promptly notify AGENCY should CONSULTANT, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this AGREEMENT and the work performed there under or with respect to any project or property located within the AGENCY, unless the AGENCY is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless CONSULTANT is prohibited by law from informing the AGENCY of such Discovery. AGENCY retains the right, but has no obligation, to represent CONSULTANT and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless AGENCY is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to CONSULTANT in such proceeding, CONSULTANT agrees to cooperate fully with AGENCY and to provide the opportunity to review any response to discovery requests provided by CONSULTANT.



**XVII. ASSIGNMENT**

The CONSULTANT shall not assign the performance of this AGREEMENT, nor any part thereof, nor any monies due hereunder, without prior written consent of the AGENCY. Because of the personal nature of the services to be rendered pursuant to this AGREEMENT, only CONSULTANT shall perform the services described in this AGREEMENT. [Insert name] may use assistants, under his/her direct supervision, to perform some of the services under this AGREEMENT. CONSULTANT shall provide AGENCY fourteen (14) days' notice prior to the departure of [Insert name] from CONSULTANT's employ. Should he/she leave CONSULTANT's employ, the AGENCY shall have the option to immediately terminate this AGREEMENT, within three (3) days of the close of said notice period. Upon termination of this Agreement, CONSULTANT's sole compensation shall be payment for actual services performed up to, and including, the date of termination or as may be otherwise agreed to in writing between the Governing Board and the CONSULTANT. Before retaining or contracting with any CONSULTANT for any services under this AGREEMENT, CONSULTANT shall provide AGENCY with the identity of the proposed CONSULTANT, a copy of the proposed written contract between CONSULTANT and such sub-consultant which shall include an indemnity provision similar to the one provided herein and identifying AGENCY as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed sub-consultant carries insurance at least equal to that required by this AGREEMENT or obtain a written waiver from AGENCY for such insurance.

**XVIII. LICENSES**

At all times during the term of this AGREEMENT, CONSULTANT shall have in full force and effect, all licenses required of it by law for the performance of the services described in this AGREEMENT.

**XIX. GOVERNING LAW**

The AGENCY and CONSULTANT understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this AGREEMENT and also govern the interpretation of this Agreement. Any litigation concerning this AGREEMENT shall take place in the municipal, superior, or federal district court with jurisdiction over the AGENCY.

**XX. ENTIRE AGREEMENT**

This AGREEMENT contains the entire understanding between the parties relating to the obligations of the parties described in this AGREEMENT. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this AGREEMENT or with respect to the terms and conditions of this AGREEMENT, are merged into this AGREEMENT and shall be of no further force or effect. Each party is entering into this



AGREEMENT based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

**XXI. WORK SCHEDULED/TIME OF COMPLETION**

*Note: This section is optional and should be included only when the project is particularly time-sensitive.*

AGENCY and CONSULTANT agree that time is of the essence in this AGREEMENT. AGENCY and CONSULTANT further agree that CONSULTANT's failure to perform on or at the times set forth in this AGREEMENT will damage and injure AGENCY, but the extent of such damage and injury is difficult or speculative to ascertain. Consequently, AGENCY and CONSULTANT agree that any failure to perform by CONSULTANT at or within the times set forth herein shall result in liquidated damages of [Insert amount] dollars (\$\_\_.00) per day for each and every day such performance is late or delayed. AGENCY and CONSULTANT agree that such sum is reasonable and fair. Furthermore, AGENCY and CONSULTANT agree that this AGREEMENT is subject to Government Code Section 53069.85 and that each party hereto is familiar with and understands the obligations of said Section of the Government Code.

**XXII. CONTENTS OF REQUEST FOR PROPOSAL AND PROPOSAL**

CONSULTANT is bound by the contents of AGENCY's Request for Proposal, Exhibit "D" hereto and incorporated herein by this reference, and the contents of the proposal submitted by the CONSULTANT, Exhibit "E" hereto. In the event of conflict, the requirements of AGENCY's Request for Proposals and this AGREEMENT shall take precedence over those contained in the CONSULTANT's proposals. The incorporation of the CONSULTANT's proposal shall be for the scope of services to be provided only, and any other terms and conditions included in such proposal shall have no force and effect on this AGREEMENT or the relationship between CONSULTANT and/or AGENCY, unless expressly agreed to in writing.

**XXIII. AUTHORITY TO EXECUTE THIS AGREEMENT**

The person or persons executing this AGREEMENT on behalf of CONSULTANT warrants and represents that he/she has the authority to execute this AGREEMENT on behalf of the CONSULTANT and has the authority to bind CONSULTANT to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed the day and year first above written.

CONSULTANT

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Typed Name)

\_\_\_\_\_  
(Title)

CITY OF IMPERIAL

A Municipal Corporation

\_\_\_\_\_  
Dennis H. Morita, City Manager

ATTEST:

\_\_\_\_\_  
Dennis H. Morita, City Clerk

APPROVED AS TO FORM:

Geoffrey P. Holbrook, City Attorney

By: \_\_\_\_\_

Attachments:

Exhibit A     Scope of Services

Exhibit B     Insurance Requirements

## **EXHIBIT A**

### **SCOPE OF SERVICES**

The individual or firm will perform these services under the supervision and direction of the Public Services Director. The CITY wishes to contract with an individual or firm for the duration of the Airport Loop Waterline Improvements.

3.1 The Consultant shall be responsible for assisting the CITY with activities needed to ensure that workers employed by the CITY's contractors and their subcontractors are hired and paid in compliance with all applicable labor standards.

3.2 The Consultant shall serve as the primary contact person for the CITY's contractors and their subcontractors for issues related to labor compliance standards. The Consultant shall attend pre-construction meetings to provide contractors and their subcontractors with informational materials and requirements regarding labor compliance standards and to review the labor compliance standards applicable to each project.

3.3 The Consultant shall immediately inform the CITY of any changes or developments regarding issues of federal or California compliance.

3.4 Prior to each bid advertisement, the Consultant shall obtain the most current and applicable wage decisions information and provide this in a timely manner to all prospective contractors and subcontractors. Thereafter, the Consultant shall immediately inform the contractors and their subcontractors of any changes or developments regarding issues of labor compliance, relevant to their contract performance for the City of Imperial.

3.5 Prior to commencement of contractors' or subcontractors' work, the Consultant shall provide verification that their licenses are current and active with the California State Contractor's License Board and they are not on a federal debarment list.

3.6 The Consultant shall provide the CITY and its contractors and their subcontractors with all required labor compliance standards contract language for inclusion in all applicable contracts to be executed by the CITY and its contractors.

3.7 The consultant must conduct all interviews at the work site. Interviews may occur at random, without providing previous notification to their contractor and subcontractor.

3.8 The Consultant shall respond promptly to all Requests for Information by the CITY and its contractors and their subcontractors for information pertaining to Federal and California labor compliance standards.

3.9 The Consultant shall immediately inform the CITY whenever a contractor or subcontractor is found to be out of compliance with applicable labor standards.

- 3.10 The Consultant shall assist the CITY with contractors' applications for progress payments.
- 3.11 The Consultant shall promptly review the Certified Payroll Reports (CPRs) as received and notify the prime contractor of any deficiencies in wages, overtime compensation, incomplete or inaccurate CPRs, and/or incomplete or inaccurate Statements of Compliance.
- 3.12 The Consultant shall maintain all original documentation in an organized, manageable and current status and make it available to the CITY for review at any time.
- 3.13 The Consultant shall prepare and submit in a timely manner, all monthly, semiannual and final reports, so that the CITY has sufficient time for review prior to submitting them to the State of California.
- 3.14 At the conclusion of a project, the Consultant shall provide to the CITY, all CPRs and all other documentation and correspondence related to the project.
- 3.15 If requested, the Consultant shall participate in Labor Compliance Monitoring conducted by the State of California, at a time and place specified by the CITY and the State of California.

## EXHIBIT B

### INSURANCE REQUIREMENTS

Without limiting CONSULTANT's indemnification of AGENCY, and prior to commencement of Work, CONSULTANT shall obtain, provide and maintain at its own expense during the term of this AGREEMENT, policies of insurance of the type and amounts described below and, in a form, satisfactory to AGENCY.

*Note: Verify minimum limit for each coverage with Risk Manager.*

**General liability insurance.** CONSULTANT shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

**Automobile liability insurance.** CONSULTANT shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this AGREEMENT, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

**Professional liability (errors & omissions) insurance.** CONSULTANT shall maintain professional liability insurance that covers the Services to be performed in connection with this AGREEMENT, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this AGREEMENT and CONSULTANT agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this AGREEMENT.

*Note: May need to delete workers' compensation and employer's liability insurance requirements for certain sole proprietorships, partnerships, or corporations without employees.*

**Workers' compensation insurance.** CONSULTANT shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000).

CONSULTANT shall submit to AGENCY, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of AGENCY, its officers, agents, employees and volunteers.

*Note: If the required limits for general liability, auto and employer's liability are \$1 million or less, the following paragraph may be omitted.*

**Umbrella or excess liability insurance.** [Optional depending on limits required]. CONSULTANT shall obtain and maintain an umbrella or excess liability insurance policy

with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrence of effective dates with primary policies;
- Policies shall "follow form" to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

### **Other provisions or requirements**

**Proof of insurance.** CONSULTANT shall provide certificates of insurance to AGENCY as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by Agency's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with AGENCY at all times during the term of this contract. AGENCY reserves the right to require complete, certified copies of all required insurance policies, at any time.

**Duration of coverage.** CONSULTANT shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Work hereunder by CONSULTANT, his agents, representatives, employees or subconsultants.

**Primary/noncontributing.** Coverage provided by CONSULTANT shall be primary and any insurance or self-insurance procured or maintained by AGENCY shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of AGENCY before the AGENCY's own insurance or self-insurance shall be called upon to protect it as a named insured.

**Agency's rights of enforcement.** In the event any policy of insurance required under this AGREEMENT does not comply with these specifications or is canceled and not replaced, AGENCY has the right but not the duty to obtain the insurance it deems necessary and any premium paid by AGENCY will be promptly reimbursed by CONSULTANT or AGENCY will withhold amounts sufficient to pay premium from CONSULTANT payments. In the alternative, AGENCY may cancel this AGREEMENT.

**Acceptable insurers.** All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in

accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the Agency's Risk Manager.

**Waiver of subrogation.** All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against AGENCY, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow CONSULTANT or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. CONSULTANT hereby waives its own right of recovery against AGENCY, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

**Enforcement of contract provisions (non estoppel).** CONSULTANT acknowledges and agrees that any actual or alleged failure on the part of the AGENCY to inform CONSULTANT of non-compliance with any requirement imposes no additional obligations on the AGENCY nor does it waive any rights hereunder.

**Requirements not limiting.** Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the AGENCY requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the AGENCY.

**Notice of cancellation.** Consultant agrees to oblige its insurance agent or broker and insurers to provide to AGENCY with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

**Additional insured status.** General liability policies shall provide or be endorsed to provide that AGENCY and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

**Prohibition of undisclosed coverage limitations.** None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to AGENCY and approved of in writing.

**Separation of insureds.** A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

**Pass through clause.** CONSULTANT agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by CONSULTANT, provide the same minimum insurance coverage



and endorsements required of CONSULTANT. CONSULTANT agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. CONSULTANT agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to AGENCY for review.

**Agency's right to revise specifications.** The AGENCY reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the CONSULTANT ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the CONSULTANT, the AGENCY and CONSULTANT may renegotiate CONSULTANT's compensation.

**Self-insured retentions.** Any self-insured retentions must be declared to and approved by AGENCY. AGENCY reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by AGENCY.

**Timely notice of claims.** CONSULTANT shall give AGENCY prompt and timely notice of claims made or suits instituted that arise out of or result from CONSULTANT's performance under this AGREEMENT, and that involve or may involve coverage under any of the required liability policies.

**Additional insurance.** CONSULTANT shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.