

## **CONTRACT TO CONDUCT SPECIAL SERVICES FOR THE SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT**

This Contract is entered into between the Sacramento Metropolitan Air Quality Management District (SMAQMD or District), a public agency of the State of California, and the Sacramento Tree Foundation (Contractor).

### **1.0 Recitals**

- 1.1 Health and Safety Code Section 40961 designates the District as the local agency within the boundaries of the Sacramento Metropolitan Air Quality Management District with the primary responsibility for the development, implementation, monitoring, and enforcement of air pollution control strategies, clean fuels programs, and motor vehicle use reduction measures.
- 1.2 District is in need of an independent contractor to evaluate the potential of a SIP control strategy through the design of a regional tree planting strategy using an urban forest model in conjunction with photochemical and meteorological modeling for the 8-hour attainment demonstration.
- 1.3 Contractor was awarded the services covered under this Contract without the benefit of competitive bid because of their extensive knowledge and expertise in the area, its previous work under Greenprint, and staff's determination based on its knowledge of similar firms, Contractor is best suited to meet the needs of SMAQMD. Therefore, this contract is awarded to Contractor on a sole source basis.
- 1.4 Contractor is qualified to perform the services because of their knowledge of urban forest issues affecting our region, urban forest modeling, tree planting methodologies, and their possession of an in-house database of the region's current urban forest.
- 1.5 Contractor is ready, willing and able to provide the services detailed in this Contract.

### **2.0 Terms and Conditions**

The parties agree to the terms and conditions listed below:

- 2.1 **Scope of Services:** Contractor will perform the services described in Exhibit A.
- 2.2 **Payments:** SMAQMD will make the payments outlined in Exhibit B to the Contractor so long as the Contractor is providing the services set forth in Exhibit A.

A. **Invoices:** Payment will be on a reimbursement basis. Contractor will submit one original and one duplicate monthly invoice to SMAQMD in a SMAQMD-approved format.

1. The invoice must include an itemization of Contractor and subcontractor staff costs, including: name, position, work tasks, date of service, description of service or meeting topics, number of hours worked, rate per hour and total cost.
2. The invoice must also include appropriate documentation for all costs and expenses.
3. Invoices that do not contain the information required under this section are incomplete and will not be paid until complete information is submitted.
4. SMAQMD will authorize payment to Contractor no later than 30 calendar days after receipt of a completed invoice.
5. Contractor must submit the final invoice within 30 days of the Contract termination date.

B. **Invoicing Limitations:** The following restrictions limit SMAQMD's obligation to pay invoices:

1. SMAQMD will reimburse Contractor only for Contractor's approved costs. The Contractor must document these costs through invoices, receipts and other appropriate records. SMAQMD will not, under any circumstances, reimburse Contractor for any commitments made by Contractor for services not yet performed.
2. Contractor is solely responsible for payment to all vendors, subcontractors and consultants used in the performance of this Contract. It is not the intent of SMAQMD and Contractor to create third party beneficiary rights in these entities.
3. In the event Contractor fails to comply with any material provision of this Contract, SMAQMD may withhold payment until Contractor has corrected the noncompliance.
4. If this Contract involves media placements, Contractor may not retain commissions on media placements purchased for the benefit of SMAQMD. At the discretion of SMAQMD, the value of any commissions will be applied toward the purchase of additional SMAQMD media placement or discounted from the total bill. Contractor will be paid an hourly rate for media placement services as provided for in this Contract.

- 2.3 **Contract Term:** The term of this Contract will commence April 1, 2006 and terminate June 30, 2008.
- 2.4 **Applicable Laws/Choice of Law/Venue:** Contractor must observe and comply with all applicable laws and regulations. This Contract is executed in Sacramento County, California and is governed by the laws of the State of California. Any action arising out of this Contract must be filed in a state court or federal court located in Sacramento, California.
- 2.5 **Status of Contractor:** Contractor is an independent contractor, and no relationship of employer-employee exists between SMAQMD and Contractor, or Contractor's employees, subcontractors, or consultants. Accordingly, Contractor, its employees, subcontractors and consultants do not have any of the entitlements of a SMAQMD employee.
- A. **Direction and Control:** Contractor is subject to the control and direction of the APCO regarding the designation of tasks to be performed and the results to be accomplished under this Contract, but not the means, methods, or sequence used by Contractor for accomplishing the tasks and results.
- B. **Direction of Third Parties:** If the Contractor employs any third persons, these persons will be under the exclusive control of Contractor. All terms of employment, including but not limited to hours, wages, working conditions, discipline, hiring, and discharging will be determined by Contractor.
- C. **Right to Bind:** Neither the Contractor nor its employees, subcontractors or consultants have the right to act on behalf of SMAQMD in any capacity, or to bind SMAQMD to any obligation.
- D. **Taxes:** SMAQMD will not make any deductions or withholdings from the compensation paid to Contractor. Contractor must issue all forms required by federal and state laws for income and employment tax purposes for all of Contractor's assigned personnel.
- 2.6 **Conflict of Interest:** No officer or employee of SMAQMD has any pecuniary interest, direct or indirect, in this Contract or the proceeds of the Contract. No officer or employee of Contractor may serve on SMAQMD's governing body or hold any SMAQMD position which nominates, recommends, supervises or authorizes payment to Contractor.
- 2.7 **Nondiscrimination:**
- A. **Requirements:** Contractor must not discriminate based on:
1. Color, race, creed, national origin, religion, sex, age, or physical or mental handicap in violation of Title VI of the Civil Rights Act of 1964 (42 U.S.C. Section 2000d) and its implementing regulations, or in violation of any other state or federal law;

2. Sexual orientation as determined by federal, state, or local laws and regulations.

B. **Prohibited Discrimination:** Prohibited discrimination under this Contract means disparate treatment on the basis of race, color, creed, national origin or sexual orientation. Discrimination includes, but is not limited to:

1. Denying persons any service or benefit which is different, or is provided in a different manner or at a different time from that provided to other participants under this Contract;
2. Subjecting persons to segregation or separate treatment in any matter related to the receipt of services;
3. Restricting persons in any way from the enjoyment of any advantage or privilege enjoyed by others under this Contract;
4. Treating persons differently from others in determining whether they satisfy any admission, enrollment quota, eligibility, membership, or other requirement that individuals must meet in order to be provided any service or benefit under this Contract;
5. Assigning times or places for the provision of services on the basis of race, color, creed, national origin or sexual orientation of the persons to be served.

2.8 **Indemnification:**

A. **Scope:** Contractor will indemnify and defend SMAQMD, its officers, agents, employees and volunteers from any and all liabilities of any kind that arise from any negligent or wrongful acts or omissions of Contractor in his/her performance of this Contract. SMAQMD will indemnify and defend Contractor, its board, officers, agents, and employees, from any and all liabilities of any kind that arise from any negligent or wrongful acts or omissions of SMAQMD in its performance of this Contract.

B. **Counsel:** Contractor will also use counsel reasonably acceptable to SMAQMD in carrying out its obligations under this section. The provisions of this section will survive the expiration or early termination of this Contract.

2.9 **Waiver of Claims:** Contractor waives any claims against SMAQMD, its officers, agents, employees or volunteers from damage or loss caused by:

A. Any suit or proceeding directly or indirectly attacking the validity of this Contract, or any part of this Contract.

- B. Any judgement or award: (i) declaring this Contract, or any part of this Contract, either void or voidable, or (ii) delaying the performance of any part of this Contract.

2.10 **Insurance:**

- A. **Insurance Requirement:** Contractor will maintain insurance to cover its operations throughout this Contract and any Contract extensions.

1. The insurance must meet the requirements in Exhibit C.
2. Any insurance or self-insurance maintained by SMAQMD will apply in excess of, and not contribute to, insurance maintained by Contractor.
3. Contractor will give SMAQMD 30-days written notice prior to canceling or modifying the insurance obtained under this section. SMAQMD may object to the cancellation or modification within 15 days of receiving the notice. If SMAQMD objects, it may demand the relief specified in paragraph 2.16 (B).
4. This section does not limit Contractor's indemnification obligation in Section 2.8.

- B. **Involuntary Policy Modifications:** If Contractor's insurer modifies its insurance in any manner that affects the specifications in Exhibit C, Contractor must notify SMAQMD within 96 hours of the modification. SMAQMD may demand that Contractor obtain additional coverage sufficient to comply with the specifications in Exhibit C, or may terminate this Contract as provided in section 2.16 (B).

- 2.11 **Assignments:** No performance required or payment due under this Contract may be subcontracted, delegated or assigned without the express written consent of SMAQMD.

2.12 **Subcontracts:**

- A. If the Contractor submitted the name of a subcontractor in the proposal or application for this Contract, SMAQMD's approval of the Contract is also an approval of the use of the named subcontractor.

- B. In the event that any part of this Contract is subcontracted, Contractor agrees to document the following affirmative steps for utilizing Minority Business Enterprises (MBE) or Women Owned Business Enterprises (WBE) as required by the Environmental Protection Agency:

- i). Inclusion of MBEs and WBEs on solicitation lists.
- ii). Assure MBEs and WBEs are solicited once they are identified.
- iii). Where feasible, divide total requirements into smaller tasks to permit maximum MBE/WBE participation.

- iv). Where feasible, establish delivery schedules which will encourage MBE and WBE participation.
  - v). Encourage use of the services of the U.S. Department of Commerce's Minority Business Development Agency (MBDA) and the U.S. Small Business Administration to identify MBEs and WBEs.
- 2.13 **Successors:** This Contract will bind the successors of SMAQMD and Contractor in the same manner as if they were expressly named.
- 2.14 **Alteration:** No alteration or variation of the terms of this Contract is valid unless made in writing and signed by both parties.
- 2.15 **Recordkeeping:**
- A. **Records:** Contractor will maintain all necessary records, books and accounts to verify that the Contract funds are used only for the purposes stated in this Contract.
  - B. **Audits:** SMAQMD may audit all expenditures made by the Contractor under this Contract. Contractor must ensure that SMAQMD staff have access, at all reasonable times, to the documents kept by Contractor in connection with all funds expended under this Contract.
  - C. **Duration:** Contractor must maintain these documents for 5 years after the termination of this Contract and any Contract extensions. At the end of the 5-year period, Contractor must either continue to maintain the documents or surrender the documents to SMAQMD – unless the APCO states, in writing, that Contractor may destroy documents.
- 2.16 **Termination:**
- A. **30-day Notice Termination:** Either SMAQMD or Contractor may terminate this contract for any reason by giving the other party 30-days written notice. If this Contract is terminated under this paragraph, SMAQMD may proceed with the work in any manner deemed proper by SMAQMD without recourse by Contractor, its officers, agents, employees or volunteers. Contractor will be paid for work performed up to the termination date.
  - B. **10-day Notice Termination:** SMAQMD, through its APCO, may terminate this Contract with 10 days written notice if Contractor fails to perform any of the terms and conditions of this Contract in the time and manner specified. If the Contract is terminated under this paragraph, SMAQMD may proceed with the work in any manner deemed proper by SMAQMD without recourse by Contractor, its officers, agents, employees or volunteers.
  - C. **Immediate Termination:** SMAQMD, through its APCO, may terminate or amend this Contract without prior notice if advised that funds are not available for this Contract or any portion of this Contract, or if funds are not specifically

appropriated for this Contract in SMAQMD's final budget for the term of this Contract and any extensions to the Contract. If SMAQMD terminates or amends this Contract under this paragraph, SMAQMD must serve notice of the action on the Contractor within two (2) working days.

- D. **Subcontractor Termination:** SMAQMD may require Contractor to immediately terminate any subcontractor if SMAQMD, at its sole discretion, determines the subcontractor is unacceptable.

2.17 **Rights to Contracted Products:**

- A. All reports, research data, and every other work product of any kind or character arising from or relating to this Contract is the exclusive property of SMAQMD. SMAQMD may use these work products for any purpose whatsoever and has the sole right to the copyright or trademark for these work products.
- B. Without limiting the foregoing, any intellectual property, including, but not limited to all material, information, data, methodologies, know-how and documents, of Contractor existing prior to date of work authorization, which Contractor incorporates or intend to incorporate into any work product delivered under any work authorization, must be disclosed in the work authorization in order to prevent the transfer of any rights to such intellectual property to SMAQMD.

2.18 **Disputes:**

- A. **APCO Decision:** Any dispute under this Contract will be settled in a written decision by the APCO. The APCO must mail a copy of the decision to Contractor. Contractor is not excused from performance of this Contract while the APCO's decision is pending.
- B. **Finality of the Decision and Exceptions:** The APCO's decision is final unless Contractor files a written appeal with the SMAQMD Board of Directors within 30 days from the date of the APCO's decision. Any appeal must detail the basis of the appeal and contain copies of all documentation supporting Contractor's position.
- C. **Appeals:** The SMAQMD Board will hear the appeal at a public Board meeting. The Contractor may present testimony and evidence supporting its position at the meeting. Contractor and SMAQMD will perform all duties and obligations in accordance with the APCO's decision pending final Board action. The decision of the Board is a final agency action and may be judicially appealed.

- 2.19 **Waiver of Contract Provisions:** Waiver by either party of any default, breach or condition precedent will not be construed as waiver of any other default, breach or condition precedent or right under this Contract.

- 2.20 **Time:** Time is of the essence with respect to attainment of the timely performance of tasks associated with this Contract.
- 2.21 **Severability:** If any provision of this Contract is held invalid or unenforceable, its invalidity or unenforceability will not affect any other provisions of this Contract, and this Contract will be construed and enforced as if such provision had not been included.
- 2.22 **Payments that contravene the law:** SMAQMD has no liability for payments that are found to contravene the law. Contractor will reimburse SMAQMD for any payments made by SMAQMD to Contractor and later determined to contravene federal, state or local laws and regulations.
- 2.23 **Contingency Clause:** This contract is subject to any contingency clauses stated in Exhibit B – Payment Terms and Conditions.
- 2.24 **Entire Agreement:** This Contract constitutes the entire agreement between SMAQMD and Contractor. Both parties revoke all prior or contemporaneous oral or written agreements between them that are inconsistent with this Contract. In the event of a dispute between the parties regarding the Contract, this Contract will be deemed to have been drafted by the parties in equal parts so that no presumptions or inferences concerning its terms or interpretation may be construed against any party to this Contract. This Contract consists of:
- A. This Contract
  - B. Exhibit A- Scope of Services
  - C. Exhibit B – Payment Terms and Conditions
  - D. Exhibit C – Insurance Requirements
- 2.25 **Communications:** Any communication between the parties that is required under the provisions of this Contract must be in writing, and be either: (i) personally delivered, (ii) sent by prepaid, certified first class mail, return receipt requested, or (iii) sent by facsimile (provided confirmation of delivery is obtained at the time of transmission). Communications must be addressed to the parties as follows:
- | <b>To Contractor</b>              | <b>To SMAQMD</b>                         |
|-----------------------------------|--|
| Ray Tretheway, Executive Director | Larry Greene, APCO                       |
| Sacramento Tree Foundation        | Sacramento Metropolitan AQMD             |
| 201 Lathrop Way, Suite F          | 777 12 <sup>th</sup> Street, Third Floor |
| Sacramento, CA 95815              | Sacramento, CA 95814-1908                |
| Phone: (916) 924-8733             | Phone: (916) 874-4800                    |
| Fax: (916) 924-3803               | Fax: (916) 874-4805                      |
- A. **Change of Address:** Either party may change the address for service by giving 15 days advance written notice to the other party.

B. **Effective Date:** All notices will be effective upon receipt and will be deemed received: (i) upon delivery, if personally delivered, (ii) on the 5th day following deposit in the mail, if sent by certified mail, or (iii) upon the date stated in the facsimile delivery confirmation, if sent by facsimile.

2.26 **Contract Manager: Charles Anderson** is SMAQMD’s named Contract Manager for this Contract. It is the responsibility of the Contract Manager to: 1) verify compliance with the terms and conditions of the contract, 2) determine that the work has been completed, 3) ensure that funding is available to pay approved invoices, and 4) approve all invoices under the Contract.

2.27 **Authority to Bind:** The persons signing on behalf of the parties to this Contract warrant that they have the legal authority to execute the Contract.

Sacramento Metropolitan Air  
Quality Management District

Sacramento Tree Foundation

\_\_\_\_\_  
Larry Greene  
Air Pollution Control Officer

\_\_\_\_\_  
Ray Tretheway  
Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed by:

\_\_\_\_\_  
Kathrine Pittard, District Counsel

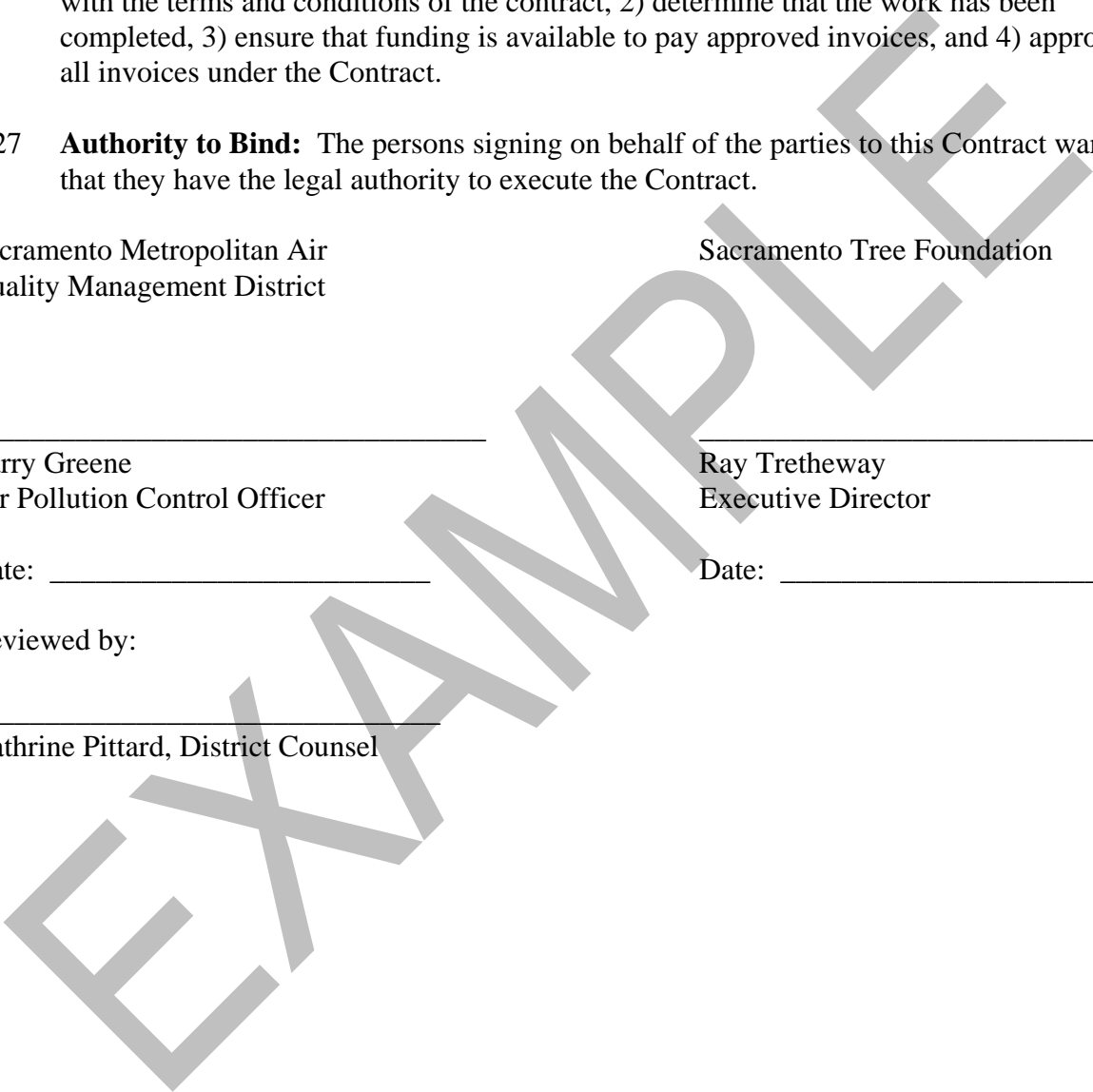


Exhibit A  
Scope of Services

Contractor shall perform the following task:

Scope of Work

Task 1 – Project Scope, Review, and Management

Determine project requirements and approach to developing an Urban Tree Forest as a SIP strategy, and management of all aspects the SIP strategy development, except management of the photochemical modeling of the SIP strategy.

Task 2 - Develop planting scenarios

Work with the Center for Urban Forest Research to develop reasonable urban forest objectives achievable within SIP timeframes of 2013, 2019, 2024

Task 3 - Develop methodology to establish initial estimates of air quality impacts

Work with the Center for Urban Forest Research to establish methodology for performing preliminary estimates potential air quality impacts without applying regional photochemical air quality modeling.

Task 4 - Establish and coordinate communication efforts to achieve the following objectives:

- Secure technical input to air quality or other environmental impact assessments including methods, data, etc.
- Secure input and approval from SIP oversight agencies (Environmental Protection Agency and California Air Resources Board)
- Secure input and approval from implementing agencies of urban forest SIP objectives
- Community outreach to educate and solicit assistance in implementation

Task 5 - Prepare Urban Forest SIP strategy

Prepare urban forest SIP strategy, including measurable urban forest planting milestones for SIP relevant years (as established during stakeholder meetings, but including 2013, 2019, or 2024), estimate of air quality benefits applying the methodology developed under Task 3, urban forest strategy implementation plan, technical support documents providing details regarding the above items, and any other information necessary to satisfy state and federal laws, rules, regulations, policies and guidance to support the urban forest SIP strategy

Exhibit A  
Scope of Services (cont'd)

Task 6 - Provide additional technical information of other environmental effects from the urban forest SIP strategy to support CEQA analyses

Task 7 - Secure enforceable agreements from agencies and jurisdictions to implement the urban forest SIP strategy

Agreements must specify measurable goals for each agency/jurisdiction that satisfy EPA requirements

Task 8 - Assist with selection of air quality modeler and provide data and information needed to support air quality modeling efforts to estimate urban forest strategy air quality impacts estimates

Note: This work is required even if air quality modeling is not required to support the submittal of the SIP strategy.

Timeline

1. Completion of Tasks 1-6 by June 30, 2006
2. Completion of Task 7 by public hearing on SIP by the SMAQMD Board of Directors in early 2007. Precise date to be determined.
3. Completion of Task 8 date to be determined.

Deliverables

1. A monthly progress report on all tasks
2. Tasks 1-3, 5 and 6: One or more reports for each of the tasks and all data and other information supporting the results.
3. Meeting agendas and summaries for Task 4
4. Task 7: Evidence of 30 day public notice of hearing considering approval by jurisdiction, adopting resolution, associated support materials consistent with state and federal laws, rules, regulations, policies and guidance related to SIP strategies.
5. Task 8: Deliverables to be determined in consultation with photochemical modeler.

Additional Approvals

Contractor understands that the District Board of Directors will not make a final decision on whether to pursue an Urban Forest control strategy until after the District and Contractor have completed the preliminary analysis required under Tasks 1, 2, and 3, and that the District will terminate this contract if it decides not to pursue the control strategy.

**Exhibit B**  
**Payment Terms and Conditions**

1. Contractor must perform and complete all work required under this Contract in a professional manner and in accordance with the professional standards observed by competent practitioners of the profession in which Contractor, its subcontractors or agents, are engaged.
2. The APCO has the sole discretion to determine whether Contractor has successfully completed the tasks.
3. Payment will be made on a reimbursement basis. Contractor must submit one original and one duplicate invoice to SMAQMD on a monthly basis, in a mutually agreed upon format.
4. Contractor will be reimbursed only for approved expenses. Airline travel must include copies of airline tickets, dates of travel, purpose for travel and written record of prior APCO approval.
5. It is understood by Contractor that \$520,947 is the maximum payment budgeted for this Contract.
6. Contractor must obtain written authorization from the APCO or his designee to transfer funds or services from task to task.
7. Contractor may not charge administrative fees of any kind under this Contract.
8. Section 2.3 of this Contract contains additional reporting and fiscal requirements.

**Budget**

The estimated number of hours and cost to complete this scope is 1041 hours and \$, \$61,705, including all work performed by Contractor and approved subcontractor(s), allocated as follows:

**Hourly Rate**

Name and Title	Hourly rate
Principal Investigator	\$57.22
Senior Project Leader	\$40.00
Project Leader	\$36.00
Project Associate	\$30.00
Research Associate	\$28.61

Acceptable Fees

1. The hourly rate agreed to by SMAQMD and Contractor shall not be increased during the first three years of this Contract.
2. SMAQMD will only pay for actual time spent completing an authorized task, with the time rounded to the nearest fifteen-minute increment.

A. Unacceptable Fees – The SMAQMD will not pay fees associated with the following:

1. Preparing bills, invoices or reports
2. Responding to billing inquiries from any entity
3. Review of this contract with the SMAQMD
4. Improper staffing assignments (e.g., specialized personnel performing routine research tasks).
5. Employee courier services in excess of \$10.00 per delivery
6. More than one attendee at a meeting, SMAQMD sponsored event, SMAQMD staff meeting, community event or similar event unless approved in advance by the APCO.
7. Staff overtime
8. Arranging travel/accommodations
9. Collating, velobinding or faxing

B. Expenses

1. Itemization. The SMAQMD requires expenses to be itemized by date incurred and by category (e.g., photocopy, long distance telephone, parking ).
2. Detail. Each expense item must be adequately detailed so as to enable the SMAQMD to determine the exact nature, purpose and necessity of the expense.
3. Payment. All routine expenses should be paid directly by the Contractor and billed to the SMAQMD as disbursements. Actual receipts must be attached to your bill
4. Telephone charges. The SMAQMD will pay actual, necessary long distance phone call charges traceable to a specific project and documented by records or receipts.
5. Travel. Mileage reimbursement to and from the SMAQMD district office is approved. SMAQMD will not pay additional hourly rates or salaries for travel. Travel reimbursement will be consistent with the SMAQMD Travel Policy.

C. Format of Invoices Invoices shall clearly reference:

1. The billing period
2. Actual time spent on task
3. Name and rate of person performing the task
4. Detailed description of the work performed, broken down to specify a single task
5. All fees or expenses

D. Non reimbursable costs: SMAQMD will not reimburse the Contractor for costs or fees associated with the following:

1. Administrative. Reports, billing costs, supplies, copying, printing, postage, packaging, telephone calls and fax calls not directly traceable to a specific product or program.

2. Other. Costs of personnel associated with making travel arrangements, general clerical support, or "overhead" costs, such as rent or utilities.
3. Markup. The SMAQMD will not reimburse the Contractor a "markup" percentage associated with the purchase of products of SMAQMD's behalf from outside vendors (such as: promotional items, print materials or exhibit booth space).. Payment will be made on a reimbursement basis. Contractor must submit one original and one duplicate invoice to SMAQMD on a monthly basis, in a mutually agreed upon format.

EXAMPLE

### Exhibit C Insurance Requirements

Without limiting Contractor's indemnification, Contractor will procure and maintain for the duration of the contract, insurance against claims for injuries or persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives or employees. SMAQMD will retain the right at any time to review the coverage, form, and amount of the insurance required hereby. If, in the opinion of the SMAQMD's Liability & Property Insurance Office, the insurance provisions in these requirements do not provide adequate protection for SMAQMD and for members of the public, SMAQMD may require Contractor to obtain insurance sufficient in coverage, form and amount to provide adequate protection. SMAQMD's requirement must be reasonable but will be imposed to assure protection from and against the kind and extent of risks that exist at the time a change in insurance is required.

#### Verification of Coverage

Contractor will furnish SMAQMD with certificates evidencing coverage required above. Certified copies of required endorsements must be attached to provided certificates. All certificates are to be received and approved by SMAQMD before work commences. SMAQMD reserves the right to require that Contractor provide complete, certified copies of any policy of insurance offered in compliance with these specifications. As an alternative to insurance certificates, the Contractor's insurer may voluntarily provide complete, certified copies of all required insurance policies, including endorsements, effecting the coverage required by these specifications.

#### Minimum Scope of Insurance

Coverage will 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. Worker's Compensation insurance as required by the State of California.
4. Employer's Liability Insurance.

#### Minimum Limits of Insurance

Contractor will maintain limits no less than:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit will apply separately to this project/location or the general aggregate limit will be twice the required occurrence limit.

2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation: Statutory
4. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

Deductible and Self-Insured Retention

Any deductibles or self-insured retention must be declared to and approved by SMAQMD. At the option of SMAQMD, either: the insurer will reduce or eliminate such deductibles or self-insured retention as respects SMAQMD, its officers, officials, employees and volunteers; or the Contractor will procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. SMAQMD, its officers, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; or premises owned, occupied, or used by the Contractor; or automobiles owned, leased, hired or borrowed by the Contractor. The coverage may not contain special limitations on the scope of protection afforded to SMAQMD, its officers, officials, employees, agents or volunteers.
2. For any claims related to this project, the Contractor's insurance coverage will be primary insurance as respects SMAQMD, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by SMAQMD, its officers, officials, employees, agents or volunteers will be in excess of the Contractor's insurance and will not contribute to it.
3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties will not affect coverage provided to SMAQMD, its officers, official, employees, agents or volunteers.
4. The Contractor's insurance will apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. The SMAQMD may waive or alter this requirement, or accept self-insurance in lieu of any required policy of insurance if, in the opinion of the SMAQMD Claims Manager (Special Districts Risk Management Authority) and District Counsel, the interests of SMAQMD and the general public are adequately protected.