

**AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND FEHR & PEERS**

THIS AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and FEHR & PEERS, a California Corporation ("Consultant" or "Contractor").

The parties hereby agree as follows:

1. Description of Project or Scope of Services. The project description or scope of services to be provided by Consultant, and any corresponding responsibilities of City, or services required to be performed by City are set forth in Exhibit "A."
2. Term and Time of Completion. Consultant shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
3. Compensation. City agrees to pay Consultant for work performed in accordance with Exhibit "C".

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GENERAL PROVISIONS

1. Independent Contractor. Consultant acknowledges, represents and warrants that Consultant is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Consultant shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Consultant's sole responsibility.
2. Brokers. Consultant acknowledges, represents and warrants that Consultant has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
3. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Consultant, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Consultant. City shall furnish Consultant to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of

Consultant's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Consultant.

4. Changes and Extra Work. All changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Consultant.
5. Additional Assistance. If this Agreement requires Consultant to prepare plans and specifications, Consultant shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Consultant shall issue any necessary addenda to the plans and specifications as requested. In the event Consultant is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
6. Professional Ability. Consultant acknowledges, represents and warrants that Consultant is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant shall perform in accordance with generally accepted professional practices and standards of Consultant's profession.
7. Business License. Consultant shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
8. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Consultant of the project or services hereunder, immediately upon written notice to Consultant. In the event of any such termination, Consultant shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Consultant for this Agreement, prior to Consultant's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Consultant is not able to cancel such orders. Compensation for Consultant in such event shall be determined by the City in accordance with the percentage of the project or services completed by Consultant; and all of Consultant's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make

copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

9. Termination in the Event of Default. Should Consultant fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Consultant shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages if any, sustained by the City by virtue of Consultant's breach of this Agreement.
10. Conflict of Interest. Consultant acknowledges, represents and warrants that Consultant shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Consultant further acknowledges, represents and warrants that Consultant has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Consultant acknowledges that in the event that Consultant shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
11. Indemnity. To the maximum extent permitted by law, Consultant hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Consultant's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.
 - a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Consultant because the acceptance by City, or the

deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

- b. Waiver of Right of Subrogation. Consultant, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.
12. Insurance. Consultant shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
13. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
14. Compliance with Laws. Consultant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
15. Limitations upon Subcontracting and Assignment. Consultant acknowledges that the services which Consultant shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Consultant shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Consultant, Consultant shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Consultant and subcontractor. Any attempt by Consultant to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Consultant or twenty-five percent (25%) or more the voting control of Consultant (whether Consultant is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Consultant or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Consultant's assets occurs, which reduces Consultant's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

16. Subcontractors. Consultant shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Consultant

shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

17. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Consultant and City may be used to assist in the interpretation of the exhibits to this Agreement.
18. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
19. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Consultant.
20. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Consultant hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
21. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Consultant, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
22. Time of Essence. Time is of the essence of this Agreement.
23. Confidentiality. To the extent permissible under law, Consultant shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.
24. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
25. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

26. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
27. Claims. Any claim by Consultant against City hereunder shall be subject to Government Code §§ 800 *et seq.* The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
28. Interpretation. Consultant acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
29. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Consultant warrants as follows: Consultant possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Consultant, at Consultant's expense, including shipping. Consultant shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
30. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed, and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
31. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Consultant warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Consultant, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Consultant.
32. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 21st day of April, 2020.

CITY OF REDONDO BEACH

DocuSigned by:

Bill Brand

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William C. Brand, Mayor

FEHR & PEERS
A CALIFORNIA CORPORATION

DocuSigned by:

Michael Kennedy

12A0EC66D118400...

By:

Name: Michael Kennedy

Title: Principal

ATTEST:

DocuSigned by:

Eleanor Manzano

839EF574518243G...

Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:

Jill Buchholz

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Jill Buchholz, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 21st day of April, 2020.

CITY OF REDONDO BEACH

FEHR & PEERS
A CALIFORNIA CORPORATION

William C. Brand, Mayor

DocuSigned by:
Michael Kennedy
By: 12A0EC86D118400...
Name: Michael Kennedy
Title: Principal

ATTEST:

APPROVED:

Eleanor Manzano, City Clerk

DocuSigned by:
Jill Buchholz
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Jill Buchholz, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb
Michael W. Webb, City Attorney

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

Consultant shall perform the following duties:

Project Description

Preparation of Vehicle Miles Traveled (VMT) analysis methodology ordinance to guide the CEQA transportation impact analyses of projects in the City of Redondo Beach, as required by California State Senate Bill 743.

Task 1 - Kick-off and Coordination Meetings

Fehr & Peers shall attend a kick-off meeting with City staff. The purpose of the meeting shall be to discuss in depth the City's goals and objectives for the study.

Fehr & Peers staff shall prepare for and attend up to five additional internal meetings with City staff (monthly), which could be mix of in-person meetings and conference calls as warranted.

Deliverable Task 1: City staff kick-off and monthly coordination meetings.

Task 2 - VMT Metrics and Thresholds

Task 2.1 - VMT & Transit Summary

Fehr & Peers shall analyze existing and projected VMT levels for the City of Redondo Beach using data from the SCAG RTP/SCS regional travel demand model. Fehr & Peers shall run the SCAG model to develop existing and future VMT data for the following metrics:

- Citywide VMT
- VMT per capita
- Household VMT per capita
- Work VMT per employee
- VMT per service population

Fehr & Peers shall identify areas of the City that could qualify as a transit priority area (TPA) based on an evaluation of transit routes and frequencies.

Task 2.2 - VMT Screening Options for Land Use Projects

The Office of Planning Research has provided SB 743 technical implementation guidance related to several opportunities for screening projects that would generate low VMT, including screening based on project size, retail nature (local-serving versus regional), located in a low-VMT area, and in a transit priority area.

Fehr & Peers shall develop VMT screening options for land use projects based on policy goals discussed with Redondo Beach staff and consistent with SB 743 guidance from the State. Based on initial conversation, the City's preference may be to explore small project screening and may not wish to pursue low VMT or transit priority area (TPA) screening.

The data analysis in Task 2.1 shall provide the basis for the development of VMT screening and threshold options in the subsequent portions of this task.

The purpose of the analysis described above shall also be to document the areas that could otherwise be considered for low VMT and/or TPA screening, and work with the City to identify justification for why those screening types could be inconsistent with community values. This documentation could be shared during the public process to explain why certain potential screening approaches were dismissed in the City's proposed ordinance and be used as documentation in the future if development applicants challenge the City's proposed methodology.

Task 2.3 - VMT Metrics and Threshold Options for Land Use Projects

Fehr & Peers shall develop VMT impact threshold options for land use projects based on policy goals discussed with Redondo Beach staff and consistent with SB 743 guidance from the State. The guidelines shall describe where and when the selected VMT metrics should be applied. As part of this task, Fehr & Peers shall document how the various threshold options would meet the substantial evidence test under CEQA.

Task 2.4 - Case Studies for Land Use Projects

After developing the VMT threshold options, Fehr & Peers shall apply the selected metrics to up five different case studies, to be selected in consultation with City staff. The case studies shall be used to evaluate the project-level VMT impacts for a variety of development types and locations as well as the potential to mitigate impacts with potential TDM strategies/programs as developed in Task 3. Only TDM strategies that have available research supporting quantifiable trip/VMT reductions shall be included.

Task 2.5 - Screening and Threshold Recommendations

Fehr & Peers shall summarize the results of the aforementioned tasks in a technical memo that demonstrates how the recommended VMT metrics, screening criteria, and impact thresholds support policy goals to improve the VMT performance of new projects, implement the objectives of SB 743, and meet the substantial evidence standard under CEQA.

The proposed guidelines shall clarify the methodology for determining significant impacts, such as projects that induce travel demand or increase VMT per capita. The most appropriate methodology(ies) for quantifying the impacts shall be identified as well.

Deliverable Task 2: Technical memo documenting recommended VMT metrics, screening criteria, and impact thresholds.

Task 3 – Mitigation Options

For projects with VMT impacts, it is important to have mitigation options available for implementation to try and remove or lower the impact. The types of mitigation that affect VMT are those that encourage multimodal travel, reduce the number of single-occupant vehicles generated by the site, or reduce the length of travel. This can be accomplished by changing the land uses being proposed or by implementing TDM strategies. TDM strategies have been

determined to be among the most effective VMT impact mitigators. TDM strategies are reductions available from certain types of project site modifications, programming, and operational changes.

The effectiveness of identified TDM strategies shall be based on research documented in the 2010 California Air Pollution Control Officers Association (CAPCOA) publication, Quantifying Greenhouse Gas Mitigation Measures (CAPCOA, 2010) as well as more recent available research. Those strategies considered to be most appropriate for use in Redondo Beach shall be identified. For those strategies with empirical research, methodology(ies) for assessing their effectiveness as CEQA mitigation to reduce VMT shall be described. Fehr & Peers' TDM+ tool shall be used to assist in this evaluation.

Deliverable Task 3: Matrix summarizing mitigation options to reduce VMT impacts.

Task 4 - Prepare Transportation Impact Assessment Guidelines

Fehr & Peers shall prepare TIA guidelines to document the new procedures necessary to conduct a project-level VMT-based analysis. The guidelines shall also include any pertinent evaluation protocols that result from the revised State CEQA Guidelines pursuant to SB 743. This task shall include an evaluation of the City's current processes for analyzing transportation impacts and, in consultation with City staff, determine which elements should be carried forward. In addition, the guidelines shall include project components that are critical to Redondo Beach when evaluating a proposed development project, which could include such items as site access, quality of and impacts on surrounding pedestrian or bicycle infrastructure, queuing at project driveways, level of service analyses for intersections close to the project site (in a standalone technical report, not in a CEQA impact analysis), and warrant studies at intersections for traffic signals. After presenting the draft guidelines to City staff, Fehr & Peers shall respond to two rounds of consolidated comments before submitting a final deliverable.

Deliverable Task 4: Transportation impact assessment guidelines.

Task 5 - Circulation Element/Municipal Code Review & Draft Ordinance Support

Fehr & Peers shall conduct a review of the existing Circulation Element of the City of Redondo Beach General Plan as well as review relevant sections of the Municipal Code, such as Article XXVII, that include reference to level of services analysis. The intent shall be to identify those goals, policies, objectives and methodologies that may require updating in support of the SB 743 objectives and the City's transportation impact study guidelines.

As a result of this review, technical corrections to the relevant Code or General Plan sections shall be identified for the City's inclusion in the SB 743 compliance ordinance it prepares. While Fehr & Peers shall not directly draft the ordinance, in addition to the above input, we shall review and provide comment on the draft language.

Deliverable Task 5: Memorandum detailing recommended changes to City's Circulation Element & relevant Municipal Code sections

Task 6 - Final Report

A draft report shall prepared and submitted for City staff review. The report shall document the background data and approach used to develop the City's proposed VMT metrics, the proposed screening and threshold criteria, and the mitigation options to reduce VMT impacts. The report shall include narratives, graphics, maps, and tables as appropriate to display and communicate the information in a manner understandable to both technical experts and laypersons. The report shall be revised and finalized in response to up to two rounds of consolidated comments from City staff.

Deliverable Task 6: Draft and final report.

Task 7 – Public Hearings

Fehr & Peers staff shall prepare for, attend, and support City staff at the following:

- One (1) Commission meeting
- One (1) City Council meeting

Deliverable Task 7: Commission meeting, City Council meeting.

EXHIBIT "B"

SCHEDULE FOR COMPLETION

Term. This Agreement shall commence on April 21, 2020 and shall continue until June 30, 2021, unless otherwise terminated as herein provided.

EXHIBIT "C"

COMPENSATION

Provided Consultant is not in default under this Agreement, Consultant shall be compensated as provided below.

1. AMOUNT

Fehr and Peers shall be compensated a total of \$54,930, as outlined below.

FEE PROPOSAL - CITY OF REDONDO BEACH SB 743 IMPLEMENTATION SERVICES

	Fehr & Peers Labor Hours							Total Hours	Total Cost
	Principal-in-Charge (M.Kennedy)	Project Manager (F. Ranalefar)	Technical Resource (J Muggridge)	Senior Planner (E. Finkel)	Modeler (S. Contreras)	Engineer/ Planner (R. Om)	Visual Communicator/D ocument Specialist (M.Wu)		
	\$245	\$205	\$280	\$165	\$145	\$135	\$150		
Labor									
1. Kick-Off & Coordination Meetings	12	12						24	\$5,400
2. VMT Metrics & Thresholds	8	16	4		40	18	8	94	\$15,790
3. Mitigation Options	4	16	4	16		10	3	53	\$9,820
4. Prepare TIA Guidelines	12	8					4	24	\$5,180
5. Circulation Element Review	16	8	4					28	\$6,680
6. Final Report	8	16		8		4	8	44	\$8,300
7. Public Hearings	12						4	16	\$3,540
Total Hours	72	76	12	24	40	32	27	283	\$54,710
Other Direct Costs									
Reimbursables (local travel)									\$220
Total Other Direct Costs									\$220
Total Cost									\$54,930

2. **METHOD OF PAYMENT** Consultant shall provide monthly invoices to City for approval and payment. Invoices must be adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Consultant may be required to provide back-up material upon request.

3. **SCHEDULE FOR PAYMENT** City agrees to pay Consultant within thirty (30) days of receipt of monthly invoices; provided, however, that payments by City shall not exceed \$54,930 and services are performed to the full satisfaction of the City.

4. **NOTICES:**

Consultant

Fehr & Peers
100 Pringle Avenue
Suite 600
Walnut Creek, CA 94596

City

Director of Community Development
415 Diamond Street
Redondo Beach, CA 90277

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONSULTANTS

Without limiting Consultant's indemnification obligations under this Agreement, 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 the Consultant, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Consultant shall provide a financial guarantee satisfactory to the City 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:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Consultant. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Consultant.

For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

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

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Consultant's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Subcontractors

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

Risk Management

Consultant acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.