



**PROFESSIONAL SERVICES AGREEMENT BETWEEN THE LOS ALTOS HILLS
COUNTY FIRE DISTRICT AND MUNICIPAL RESOURCE GROUP, LLC FOR
HUMAN RESOURCES SERVICES
(General Manager Annual Review)**

This Agreement (“Agreement”) is made this 21st day of January 2020, by and between the Los Altos Hill County Fire District (“DISTRICT”) and Municipal Resource Group, LLC, a California LLC (“MRG” or “CONSULTANT”) jointly known as “Parties”.

RECITALS

The following recitals are a substantive part of this Agreement:

- A. The DISTRICT wishes to contract for assistance in conducting an annual review of its General Manager; and
- B. In the past the DISTRICT has not employed a General Manager, so DISTRICT has not conducted an annual review, nor does it have processes in place to do so; and
- C. MRG has experience in providing human resources service and in conducting management reviews for public agencies; and
- D. The DISTRICT now desires enter into an agreement to engage MRG to render certain professional services as set forth herein and described in Exhibit 1 for the purpose of implementing processes for General Manager annual reviews and conducting the General Manager review.

AGREEMENT

NOW, THEREFORE, inconsideration of the mutual covenants, conditions and promises identified herein, the Parties mutually agree as follows:

- 1.1. SCOPE OF AGREEMENT. MRG shall work with the Personnel Subcommittee to develop and conduct an annual evaluation process of the General Manager. The scope and description of services are described in the Summary of Proposed Process for Los Altos Hills County Fire District General Manager Evaluation Process provided by MRG, which is attached hereto as Exhibit 1 (collectively “Services”).
2. PERFORMANCE BY CONSULTANT.
 - 2.1. Consultant Representatives. Marcie Scott, MPA is MRG’s representative (“Consultant Representative”) and shall perform the Services. Consultant Representative shall be available to DISTRICT at all reasonable times.

- 2.2. Standard of Care; Licenses. MRG represents and maintains that it is skilled in the technical calling necessary to perform Services, duties and obligations required by this Agreement and to fully, timely, and adequately complete the General Manager review. CONSULTANT shall perform the Services and duties in conformance to and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. MRG further represents and warrants to the DISTRICT that it has all licenses, permits, qualifications and approvals of whatever nature that are legally required to practice its profession. MRG further represents that it shall keep all such licenses and approvals in effect and in good standing during the term of this Agreement.
- 2.3. Conformance with Applicable Requirements. All work prepared by MRG shall be subject to the approval of District Representative. MRG shall allow District Representative to inspect or review MRG's work in progress upon request.
- 2.4. Appearance at Meetings. As requested by DISTRICT, MRG shall render assistance District Board Meeting or other meetings related to the General Manager's review necessary to the performance of Services.
- 2.5. Equal Opportunity Employment. MRG represents that it is an equal opportunity employer and shall not discriminate against an employee or applicant for employment and shall not discriminate against an employee or applicant for employment with CONSULTANT on the basis of race, color, religion, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, or sexual orientation.
3. DISTRICT REPRESENTATIVE. The DISTRICT's Personnel Subcommittee or its designee ("District Representative") shall have the authority to act on behalf of the DISTRICT for all purposes under this Agreement. DISTRICT shall provide written notice to MRG of any change in the District Representative.
4. TERM OF AGREEMENT. This Agreement shall be effective until June 30, 2020, unless terminated earlier as set forth in Paragraph 6 below.
5. COMPENSATION. The Services performed by MRG pursuant to this Agreement shall be compensated as set forth below:
- 5.1. Payment Schedule. DISTRICT shall compensate MRG on a Time and Materials basis in accordance with the rates as set forth in Exhibit 1 in an amount not to exceed Ten Thousand Dollars (\$10,000).
- 5.2. Payment. For all Services performed by MRG under this Agreement, payment shall be made by DISTRICT in accordance with Santa Clara County Payroll Department schedule upon submittal by DISTRICT of invoice for services. MRG shall submit invoices for Services to the District's Clerk on the 15th day of each month.
- 5.3. Invoices. All invoices shall be sent directly to the following address:
- Los Altos Hills County Fire District
Attn: District Clerk
P.O. Box 1766
Los Altos, CA 94023
- 5.4. Records of Expense. MRG shall keep accurate records of work performed and expenses incurred. These records shall be made available to DISTRICT upon request. MRG shall

keep all such records for at least four (4) years after the date of the services performed. MRG understands that the Public Records Act may apply to documents created under this Agreement. This section shall survive the Termination of this Agreement.

5.5. Extra Work. Extra work beyond the scope of this Agreement may be authorized, and if authorized, shall be compensated based on prior written agreed upon amounts. However, no compensation for extra work shall be paid without prior written authorization by the District Representative. Without such written authorization, MRG shall not provide extra work. In no event shall the total compensation to MRG exceed \$10,000 unless the DISTRICT authorizes an amendment to this Agreement at a public meeting.

6. TERMINATION.

6.1. Termination. Notwithstanding any other provision of this Agreement, the DISTRICT may terminate this Agreement without cause at any time upon giving five (5) days written notice to MRG. In the event the Agreement is terminated, CONSULTANT shall be paid for any Services properly performed to the last working day the Agreement is in effect. MRG shall substantiate the final cost of Services by an itemized, written statement submitted to the DISTRICT. The DISTRICT'S right of termination shall be in addition to all other remedies available under law to the DISTRICT.

6.2. Effect of Termination. For purposes of this Agreement, Termination means either the expiration of the term of the Agreement or termination by the DISTRICT as described in Paragraph 6.1 above. In the event of Termination, CONSULTANT shall deliver to the DISTRICT copies of all reports, documents, computer disks, and other work prepared by CONSULTANT under this Agreement, if any. If CONSULTANT'S written work is in electronic form, CONSULTANT shall, in addition to providing a written copy of the information, shall also provide it immediately in electronic form to DISTRICT. DISTRICT shall not pay CONSULTANT for services performed by CONSULTANT through the last working day the Agreement is in effect unless and until CONSULTANT has delivered the above-described items to the DISTRICT.

7. INDEMNIFICATION.

7.1. To the fullest extent permitted by law, CONSULTANT shall defend (with counsel reasonably approved by DISTRICT), indemnify and hold DISTRICT, the DISTRICT Board of Commissioners, members of the DISTRICT Board of Commissioners, its employees, representatives, agents and volunteers harmless from any and all suits, damages, costs, fees, claims, demands, causes of action, liabilities, losses expenses, damage or injury of any kind, in law or equity, to property or persons, including wrongful death and financial losses (collectively, "Claims") in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of CONSULTANT or CONSULTANT'S officers, assistants, subcontractors, employees or agents in connection with the performance of CONSULTANT'S services or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses.

7.2. Notwithstanding the foregoing, to the extent CONSULTANT'S services are subject to Civil Code Section 2782.8, (Design Professionals) the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to Claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of CONSULTANT.

- 7.3. With regard to CONSULTANT's professional services, CONSULTANT agrees to use that degree of care and skill ordinarily exercised under similar circumstances by members of CONSULTANT's profession, including without limitation adherence to all applicable safety standards. To the fullest extent permitted by law, CONSULTANT shall defend (with counsel reasonably approved by DISTRICT), indemnify and hold DISTRICT, the DISTRICT Board of Commissioners, members of the DISTRICT Board of Commissioners, its employees, representatives, agents and volunteers harmless from any and all indemnify, defend (with independent counsel approved by the DISTRICT) and hold harmless the DISTRICT, and its elective or appointive boards, officers, and employees from and against all liabilities, including without limitation all Claims that arise out of, pertain to, or relate to the negligence, reckless, or willful misconduct of CONSULTANT or CONSULTANT's officers, assistants, subcontractors, employees or agents in connection with the performance of CONSULTANT'S services or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. The acceptance of said services and duties by DISTRICT shall not operate as a waiver of such right of indemnification.
- 7.4. The DISTRICT does not and shall not waive any rights that they may possess against CONSULTANT because of the acceptance by the DISTRICT or the deposit with the DISTRICT of any insurance policy or certificate required pursuant to this Agreement. These hold harmless and indemnification provisions shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.
- 7.5. CONSULTANT's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by DISTRICT, the DISTRICT Board of Commissioners, members of the DISTRICT Board of Commissioners, its employees, or authorized volunteers.
- 7.6. CONSULTANT's obligations to indemnify set forth in Paragraphs 7.1-7.5 shall survive Termination of the Agreement.
8. INSURANCE REQUIREMENTS. MRG shall procure, maintain and provide appropriate types and amounts of insurance for the Services performed under this Agreement, as required by DISTRICT's Insurance Requirement, as set forth in Exhibit 2, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by MRG, its agents, representatives, employees, contractors or subcontractors. MRG shall name the DISTRICT as an additional indemnified party and an additional Insured. MRG shall provide the DISTRICT with documentation evidencing the above. This paragraph shall survive Termination of the Agreement.
9. INDEPENDENT CONTRACTOR. CONSUTLANT is, and shall at all times remain as to the DISTRICT, a wholly independent contractor and not an agent or employee of DISTRICT. CONSULTANT shall receive no premium or enhanced pay for work normally understood as overtime, nor shall CONSULTANT receive holiday pay, sick leave, administrative leave, or pay for any other time not actually worked. The intention of the Parties is that CONSULTANT shall not be eligible for benefits and shall receive no compensation from the DISTRICT except as expressly set forth in this Agreement. CONSULTANT shall have no power to incur any debt, obligation, or liability on behalf of the DISTRICT or otherwise act on behalf of the DISTRICT as an agent. Neither the DISTRICT, nor any of its agents shall have control over the conduct of CONSULTANT or any of CONSULTANT's employees, except as set forth in

this Agreement. CONSULTANT shall at no time, or in any manner, represent that it or any of its agents or employees are in any manner employees of the DISTRICT. CONSULTANT agrees to pay all required taxes on amounts paid to CONSULTANT under this Agreement, and to indemnify and hold the DISTRICT harmless from any and all taxes, assessments, penalties, and interest asserted against the DISTRICT by reason of the independent contractor relationship created by this Agreement. CONSULTANT shall fully comply with the worker's compensation law regarding CONSULTANT and CONSULTANT's employees. CONSULTANT further agrees to indemnify and hold the DISTRICT harmless from any failure of CONSULTANT to comply with applicable worker's compensation laws.

10. COMPLIANCE WITH LAW. MRG shall comply with all applicable laws, ordinances, codes, and regulations of federal, state, and local governments.
11. CONSULTANT'S BOOKS & RECORDS. CONSULTANT shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, supplies, materials, or equipment provided to DISTRICT for a minimum period of four (4) years, or for any longer period required by law, from the date of final payment to CONSULTANT pursuant to this Agreement. CONSULTANT shall maintain complete and accurate records with respect to costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. CONSULTANT shall allow an authorized representative of DISTRICT, during normal business hours, to examine, audit, and make transcripts or copies of such records and any other such evidence or information they may require with respect to any expense or disbursement charged by the CONSULTANT. CONSULTANT shall allow inspection by the DISTRICT'S Personnel Subcommittee of all work, data, documents, proceedings, and activities related to the Agreement for a period of four (4) years from the date of final payment under this Agreement. CONSULTANT understands that the Public Records Act may apply to documents created under this Agreement and CONSULTANT covenants and agrees to assist DISTRICT in responding to Public Record Act Requests at no additional cost to DISTRICT. CONSULTANT agrees that the CONSULTANT's covenants under this Section shall survive the Termination of this Agreement.
12. OWNERSHIP OF WORK PRODUCT. All reports, documents or other materials developed, discovered, or received by MRG shall be and remain the property of DISTRICT without restriction or limitation on their use. MRG shall provide DISTRICT with the originals (or copies, if no originals exist) of these items upon demand or upon Termination of this Agreement.
13. CONFIDENTIALITY. All ideas, memoranda, specifications, plans, manufacturing procedures, drawings, descriptions, written information, and other materials described in Paragraph 12 (Ownership of Work Product), above, submitted to CONSULTANT in connection with the performance of the Agreement shall be held confidential by CONSULTANT. Such materials shall not, without the prior written consent of DISTRICT, be used by CONSULTANT for any purposes other than the performance of the Services. Nor shall such material be disclosed to any person or entity not connected with the performance of the Services. Nothing furnished to CONSULTANT which is otherwise known to CONSULTANT or is generally known, or becomes known, to the related industry shall be deemed confidential. CONSULTANT shall not use DISTRICT's name or insignia, photographs or the processes it develops for the DISTRICT in any magazine, trade paper, newspaper, television or radio production or other similar medium without DISTRICT's prior written consent. This paragraph shall survive Termination of the Agreement.

14. PUBLICATION. Except as necessary for the performance of the Services, no copies, sketches or graphs of materials, including graphic artwork, which are prepared pursuant to this Agreement shall be released by CONSULTANT to any other person or agency without prior written approval of DISTRICT. All press releases, including graphic display information to be published in newspapers or magazines, shall be approved and distributed solely by DISTRICT, unless otherwise provided by written agreement between the Parties.
15. CONFLICT OF INTEREST AND REPORTING. MRG covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by MRG under this Agreement, or which would conflict in any manner with the performance of its services hereunder. MRG further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, MRG shall avoid the appearance of having any interest which would conflict in any manner with the performance of its services pursuant to this Agreement. MRG agrees not to accept any employment or representation during the term of this Agreement which is or may make MRG “financially interested” (as provided in California Government Code Sections 1090 and 87100) in any decision made by the DISTRICT on any matter in connection with which MRG has been retained pursuant to this Agreement. Nothing in this section shall, however, preclude MRG from accepting other engagements with the DISTRICT.
16. NOTICES. All notices shall be in writing and delivered personally, or by U.S. mail, postage prepaid, via first class mail to the addresses listed below.

If to MRG: Municipal Resource Group, LLC
P.O. Box 561
Wilton, CA 95693

If to DISTRICT: District Clerk
Los Altos Hills County Fire District
P.O. Box 1766
Los Altos Hills, CA 94023

Notice shall be deemed communicated on the earlier of actual receipt or forty-eight (48) hours after deposit in the U.S. mail.

17. NO ASSIGNMENT. The Parties agree that the experience of MRG is a material consideration for this Agreement. MRG shall not assign, transfer, or subcontract any interest in this Agreement, nor the performance of any of MRG’S obligations hereunder, without the prior written consent of DISTRICT, and any attempt by MRG hereunder, without the prior written consent of DISTRICT, to do so shall be void and of no effect and a breach of this Agreement.
18. COOPERATION. In the event any claim or action is brought against the DISTRICT relating to MRG’S performance or Services under this Agreement, MRG shall render any reasonable assistance and cooperation which DISTRICT might require. This paragraph shall survive Termination of the Agreement.
19. INTEGRATION. This Agreement supersedes any and all agreements, either oral or written, between the Parties hereto with respect to the rendering of Services by CONSULTANT for DISTRICT and contains all the covenants and agreements between the Parties with respect to the rendering of such Services in any manner whatsoever. Each Party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise,

have been made by any Party or anyone acting on behalf of any Party, which is not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding. Any modification of this Agreement shall be effective only by mutual written agreement. If there is any conflict in the terms of this Agreement with the exhibits or attachments, then the provisions of this Agreement shall control.

20. CALIFORNIA LAW. This Agreement shall be construed in accordance with the laws of the State of California. Venue shall be Santa Clara County Superior Court.
21. WAIVER. The waiver by either Party of any breach or violation of any provision of this Agreement by the other Party shall not be deemed to be a waiver or a continuing waiver of any subsequent breach or violation of the same or any other provision of this Agreement.
22. SUCCESSORS. This Agreement is binding on successors, legal representatives, and assigns and shall not be assigned by CONSULTANT without the prior written consent of the DISTRICT.
23. ATTORNEYS' FEES. In any legal action or proceeding brought for enforcement of this Agreement, the prevailing Party shall be entitled to recover reasonable attorneys' fees and other costs incurred in addition to any other relief to which the successfully may be entitled.
24. RIGHT TO USE OTHER CONSULTANTS. DISTRICT reserves the right to use other consultants in connection with the Human Resources Services.
25. EXHIBITS, PRECEDENCE. All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. To the extent that any provision of this Agreement conflicts with any provision set forth in Exhibit 1, the provisions within the body of this Agreement shall prevail.
26. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single agreement. This Agreement may be executed by way of facsimile or electronic signature.

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27. SEVERABILITY. If any part of this Agreement or any amendment or modification of this Agreement is found to be legally void or unenforceable by a court of law, the remainder of the Agreement will remain in full force and effect.

IN WITNESS WHERETO, the Parties hereto have executed this Agreement on the date and year shown below.

ATTEST:

LOS ALTOS HILLS COUNTY
FIRE DISTRICT:

District Clerk

By: _____
President

MUNICIPAL RESOURCE GROUP, LLC:

By: /S/
Its: CEO/Managing Partner

Attachments:

- Exhibit 1- Summary of Proposed Process for Los Altos Hills County Fire District General Manger Evaluation Process
- Exhibit 2- Insurance Requirements



Summary of Proposed Process for Los Altos Hills County Fire District General Manager Evaluation Process

I. PROJECT SCOPE

- Facilitation of General Manager Evaluation Process
- Request self-evaluation from General Manager, gather input from each Board Member
- Follow up with individual Board Members as needed
- Compile all input into a draft evaluation
- Review draft evaluation with Commission in closed session
- Make final edits; prepare Commission for issuing the final evaluation
- Meet with General Manager as needed to review strategies for future staffing and operations

II. WORK PLAN

TASK 1: GATHER AND REVIEW RELEVANT INFORMATION

Information provided by the District will be reviewed prior to the evaluation process, and includes:

1. Schedule for Commission availability for closed session(s);
2. Confirm timeline of evaluation period;
3. Any Commission goal setting and performance measurement documentation that defines ongoing expectations and goals;
4. Current employment agreement;
5. Commission contact information;

Obtain information from District to identify elements that should be included, and input concerning process and timelines. Review how input will be communicated and expectations of confidentiality.

TASK 2: DEVELOP AND REVIEW PROPOSED PROCESS AND TIMELINE

Develop a proposed process and timeline. Meet with Commission Subcommittee to discuss:

1. Evaluation process (confidential employee evaluation – expectation of privacy and expectations for communication and transmittal of documents);
2. Focus and content of key evaluation measures;
3. Format of proposed evaluation questionnaire;
4. Method for conducting interviews and gathering follow-up information as needed;



5. Review timing for Commissioner receipt of packet including process, General Manager self-assessment, draft evaluation and any additional feedback collected. Typically sent directly from Consultant to Commissioners electronically
6. Context of current District operations and key issues.

TASK 3: GATHER INPUT

Collect input on General Manager performance and goals through online survey responses from individual Commissioners.

TASK 4: MEET WITH COMMISSIONERS IN INDIVIDUAL MEETINGS AND COMPLETE INPUT

Consultant reviews responses to questionnaires, ratings in each category, and follows up with Commissioners as needed. Self-assessment from General Manager and draft evaluation and goals are sent to Commissioners for review before closed session meeting.

TASK 5: REVIEW DRAFT DOCUMENTS IN CLOSED SESSION

Review confidential draft evaluation to confirm each Commissioner's perspectives are appropriately included and reach consensus where possible. Seek to produce a document that provides clear summary of majority perspective and minority concerns where possible to provide clear feedback to General Manager. Review and seek consensus for goals for the coming year.

TASK 6: FINALIZE DOCUMENTS

Develop confidential final draft of evaluation, which includes, by reference, employee self-evaluation.

TASK 7: PREPARE COMMISSION TO DELIVER EVALUATION TO ITS EMPLOYEE

Develop agenda and work with Commission President to prepare for closed session discussion with General Manager. Consultant participation in second closed session is optional.

TASK 8: DEBRIEF AND FINE TUNE PROCESS

Debrief with Commissioners and General Manager as appropriate to identify any adjustments needed for future evaluation processes. Confirm method for ongoing communication. Finalize all templates for Los Altos Hills County Fire District. Determine plan for ongoing monitoring of performance goals as needed.

III. TIMELINE

Timeline begins once agreement is finalized. The Project is anticipated to take about 7 weeks to complete.



This timeline is subject to the availability of Commissioners for closed session and the provision of relevant documents by the District.

IV. FEES

The professional fee for conducting the above-referenced services is \$200 per hour, not to exceed \$7,500 for the General Manager evaluation and related goal setting, plus minor expenses. Expenses, include but are not limited to, mileage at current IRS rates, printing, postage, parking, and tolls

EXHIBIT 2

INSURANCE REQUIREMENTS

CONSULTANT shall provide its insurance broker(s)/agent(s) with a copy of these requirements and request that they provide Certificates of Insurance complete with copies of all required endorsements to: **General Manager, Los Altos Hills County Fire District (DISTRICT), P.O. Box 1766, Los Altos, CA 94023.**

Minimum Scope of Insurance

Coverage shall be *at least as broad as*:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, with limits no less than **\$1,000,000 or \$2,000,000 aggregate per** occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit. CGL insurance must include coverage for the following:
 - a. Bodily Injury and Property Damage
 - b. Personal Injury/Advertising Injury
 - c. Premises/Operations Liability
 - d. Products/Completed Operations Liability
 - e. Aggregate Limits that Apply per Project
 - f. Explosion, Collapse and Underground (UCX) exclusion deleted
 - g. Contractual Liability with respect to this Agreement
 - h. Broad Form Property Damage
 - i. Independent CONSULTANT Coverage

The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; (3) products/completed operations liability; or (4) contain any other exclusion contrary to the Agreement.

2. **Automobile Liability:** Insurance Services Office Form Number CA 00 01 covering, Code 1 (any auto), or if CONSULTANT has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers’ Compensation/Employer’s Liability:** CONSULTANT certifies that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that code, and it will comply with such provisions before commencing work under this Agreement. To the extent CONSULTANT has employees at any time during the term of this Agreement, at all times during the performance of the work under this Agreement CONSULTANT shall maintain insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.

4. **Professional Liability** (Errors and Omissions) Insurance appropriate to the CONSULTANT's profession, with limit no less than **\$1,000,000** per occurrence or claim. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the CONSULTANT. "Covered Professional Services" as designed in the policy must specifically include work performed under this Agreement.
5. **Umbrella or Excess Liability: Umbrella or Excess Insurance.** If umbrella or an excess liability insurance policy is used to satisfy the minimum requirements for CGL or Automobile Liability insurance coverage listed above, the umbrella or excess liability policies shall provide coverage at least as broad as specified for the underlying coverages and covering those insured in the underlying policies. Coverage shall be "pay on behalf," with defense costs payable in addition to policy limits. CONSULTANT shall provide a "follow form" endorsement or schedule of underlying coverage satisfactory to DISTRICT indicating that such coverage is subject to the same terms and conditions as the underlying liability policy.
6. DISTRICT, its officers, officials, employees, and volunteers are to be covered as additional insureds on the umbrella or excess policy with respect to liability arising out of work or operations performed by or on behalf of the CONSULTANT including materials, parts or equipment furnished in connection with such work or operations. If CONSULTANT maintains broader coverage, umbrella or excess coverage and/or higher limits than the minimums shown above, DISTRICT requires and shall be entitled to the broader coverage, umbrella or excess coverage and/or the higher limits maintained by CONSULTANT. Any available insurance proceeds in excess of the specified minimum limits of insurance and any other coverages shall be available to DISTRICT.

Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status. DISTRICT, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy and the Automobile Liability policy, with endorsements under CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage, with respect to liability arising out of work or operations performed by or on behalf of the CONSULTANT including materials, parts or equipment furnished in connection with such work or operations.

Primary Coverage. For any claims related to this Agreement, the CONSULTANT's insurance coverage shall be primary insurance as respects DISTRICT, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by DISTRICT, its officers, officials, employees, or volunteers shall be excess of the CONSULTANT's insurance and shall not contribute with it.

Notice of Cancellation. Each insurance policy required above shall be endorsed to state that coverage shall not be canceled except after thirty (30) days' prior written notice (10 days for non-payment) has been given to DISTRICT.

Waiver of Subrogation. CONSULTANT hereby grants to DISTRICT a waiver of any right to subrogation which any insurer of said CONSULTANT may acquire against DISTRICT by virtue of

the payment of any loss under such insurance. CONSULTANT agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not FIRE DISTRICT has received a waiver of subrogation endorsement from the insurer.

Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by DISTRICT. DISTRICT may require the CONSULTANT to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to DISTRICT.

Claims Made Policies. If any of the required policies provide claims-made coverage:

7. The Retroactive Date must be shown, and must be before the date of the Agreement or the beginning of Services.
8. Insurance must be maintained and evidence of insurance must be provided *for at least three (3) years after completion of the Services.*
9. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the Agreement effective date, the CONSULTANT must purchase "extended reporting" coverage for a minimum of *three (3)* years after completion of Services.

Verification of Coverage. CONSULTANT shall furnish DISTRICT with original certificates and amendatory endorsements effecting coverage required by this clause. All certificates and endorsements are to be received and approved by DISTRICT before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONSULTANT's obligation to provide them. DISTRICT reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Special Risks or Circumstances. DISTRICT reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.