

AGREEMENT TO IMPROVE DEVELOPMENT — WATER FACILITIES

THIS AGREEMENT is made and entered into this _____ day of _____, 20____, by and between SWEETWATER AUTHORITY, hereinafter called the "Authority," and _____ hereinafter called the "Owner."

- A. In the near future, the Owner desires to install a water main or mains and appurtenances to service property, identified as: _____
- B. The Authority will own and operate such facilities after acceptance, if constructed in the manner set forth herein.
- C. The parties desire, by this Agreement, to provide for the construction and completion of such facilities.

NOW, THEREFORE, it is agreed:

1. The Owner hereby agrees, at his own cost and expense, to furnish all labor, equipment, and material to perform and complete, in a good, workmanlike manner, according to the plans and specifications attached as Exhibit A hereto and made a part of this Agreement, and in accordance with other special conditions noted therein and any other plans or specifications referred to in this Agreement, the following subdivision improvements: _____
_____ (the "Improvements"). If the Improvements are not completed within three hundred sixty five (365) calendar days from the date of this Agreement, the Owner may be required to modify the Improvements to conform to the standards of the Authority in effect at that future date.
2. The Owner agrees that the work shall be done by a Class "A" or "C-34" licensed contractor, and that the work shall be subject to inspection by and to the satisfaction of the Authority, and the Improvements shall not be deemed complete until approved and accepted in writing by the Authority. The Owner shall execute a written contract with an Authority-approved qualified third-party contractor for the performance of such work, and shall provide a fully executed copy of such contract to the Authority. The third-party contractor shall be named as the "Principal" on the Payment Bond, and the Performance Bond. The estimated cost of said Improvements is the sum of \$ _____ as further set forth in Exhibit B attached hereto and incorporated herein by reference. The Owner's obligation under this Agreement extends to the completion of the Improvements, as described herein, and is not limited by the amount of the cost estimate. The Owner further agrees that the cost estimate is an estimate only, not intended to constitute a limitation on the obligations of the Owner.
3. The plans and specifications incorporated into this Agreement shall conform to the current standards of the Authority. However, if construction of the Improvements is not commenced within six (6) months of the date of the execution of this Agreement by the Authority, the Owner will be required to conform to the standards applicable on the date upon which construction is commenced. No Improvements will be installed prior to the execution of this Agreement. The Improvements shall not be installed until the plans and specifications therefor have been signed as reviewed by the Authority.
4. The Authority shall not, nor shall any officer or employee of the Authority, be liable for any

portion of the expense of the aforesaid work for the Improvements or for the payment of any labor or materials furnished in connection therewith. Further, nothing in this Agreement shall require the Authority to perform or complete any work for the Improvements required of Owner pursuant to this Agreement.

5. The Authority shall be allowed to inspect the Improvements during all stages of construction. The Authority shall be notified a minimum of forty-eight (48) hours prior to the commencement of construction.
6. The Owner shall pay to the Authority, upon execution of this Agreement, and prior to commencement of any work hereunder, the amount of the deposit set forth in Exhibit B to this Agreement for the purposes described therein.
7. In addition, the Owner shall pay all applicable fees and charges, including meter fees and capacity charges, in accordance with the Authority's rate schedule, as it exists. Estimated fees are set forth in Exhibit B to this Agreement. The Owner shall pay for all water for construction purposes in accordance with the Authority's Rates and Rules, and Standard Practices.
8. The Owner shall provide for compaction testing per requirements of the Authority.
9. The Owner shall be responsible for consumer-side connection of proposed project meters, including the installation of consumer ball valves.
10. The Owner shall obtain, at its expense, all necessary permits required by the county, state, or other public agencies, in connection with the construction of the Improvements.
11. The Owner shall convey to the Authority the necessary minimum 20-foot-wide easements covering the property in which the Improvements are located at all instances where Improvements are not located in a dedicated street. The Owner shall have its engineer provide the Authority with a legal description and an 8-1/2-inch x 11-inch plat of easements. The plat shall fully locate and describe the easement, and shall be in such format as the Authority may require.
12. The Owner or its contractor shall file with the Authority, at the time of submitting this Agreement for approval by the Authority, the following Improvement securities:
 - A. A good and sufficient Payment Bond in an amount not less than one hundred percent (100%) of the estimated cost of said work and Improvements as above specified, securing payment to the contractor, its subcontractors, and to persons renting equipment or furnishing labor or materials to them for the Improvements. Said bond shall contain the provisions set forth in Section 9550 of the California Civil Code and shall inure to the benefit of those persons referred to therein.
 - B. A good and sufficient Performance Bond in an amount of not less than one hundred percent (100%) of the estimated cost of said work and Improvements as above specified for the faithful performance of the terms and conditions of this Agreement. If such bond is provided by the Owner's contractor, the Authority shall be named as co-obligee thereon. In lieu of filing the Performance Bond, the Owner may furnish other Improvement security acceptable to the Authority in its sole discretion. Said Improvement security shall be in the same amount and for the same purposes as the bond, as above specified, and in a form satisfactory to the Authority.

- C. The form of each such bond shall be as set forth in Exhibit C hereto, or as otherwise specified by the Authority, and shall be issued by a sufficient admitted surety insurer under California Code of Civil Procedure § 995.120. Should the sureties on either of said bonds become insufficient, the Owner agrees to renew said bond or bonds with good and sufficient sureties within ten (10) days after receiving notice that said sureties are insufficient. The Owner's contract with its contractor shall expressly set out the requirements of this Section.
 - D. No Improvements will be installed prior to the acceptance by the Authority of the Payment Bond, Performance Bond (or alternative security), and Certificate of Insurance.
13. The Authority may make such changes, alterations, or additions to the plans and specifications, attached hereto, as may be determined necessary and desirable by the Authority for the proper completion of the said work and Improvements, and no such changes, alterations, or additions shall relieve the surety or sureties on any bond given for the faithful performance of this Agreement. The plans and specifications attached hereto shall be signed as approved by the Authority prior to commencement of the work.
 14. In the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this Agreement, said extension may be granted by the Authority and shall in no way affect the validity of this Agreement or release the surety or sureties of any securities provided under this Agreement.
 15. This Agreement requires the payment of prevailing wage rates. The Owner shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government. California Labor Code Sections 1720 et seq. and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000 et seq. ("Prevailing Wage Laws"), require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. The Owner agrees to fully comply with and to require its contractor(s) and subcontractors to fully comply with such Prevailing Wage Laws. The Owner hereby agrees to indemnify and hold the Authority harmless for any and all claims arising from or relating to compliance with the Prevailing Wage Laws by the Owner or its subcontractors.
 16. By its signature hereunder, the Owner 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 Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the services.
 17. The Owner or its contractor shall carry insurance in accordance with Exhibit D ("Insurance Requirements") to this Agreement and shall file proof of such insurance with the Authority at the time of submitting this Agreement for approval by the Authority. All such policies of insurance shall name the Authority as an additional insured as further set forth in Exhibit D.
 18. The Authority shall not, nor shall any officer or employee of the Authority, be liable or responsible for any accident, loss, or damage happening or occurring to the work or Improvements specified in this Agreement prior to the completion and acceptance of the same, nor shall Authority, nor any officer or employee of the Authority, be liable for any persons or property injured by reason of said work or Improvements, but all of said liabilities

shall be assumed by the Owner, who agrees to indemnify and save harmless the Authority and the officers and employees of the Authority from and against any and all claims, demands, losses, costs, and causes of action of any nature, and any expense incident to defense thereof (including attorney's fees), for injury to or death of persons or damage to property arising out of the construction of the Improvements. The Owner further agrees to protect the Authority and the officers and employees of the Authority from all liability or claims because of, or arising out of, the use of any patent or patented article in the construction of said Improvements. If the Owner contracts with or otherwise causes a third party contractor to perform any of the work hereunder, it shall require such contractor and its subcontractors to indemnify the Authority, its officers and employees to the same extent required under this Section.

19. The Improvements constructed by the Owner's contractor shall be connected to the existing water lines of the Authority in a manner approved by the Authority. If Improvements are constructed in private streets, the streets shall be curbed and/or constructed such that no damage to paving, structures, or landscaping will result from full flow fire hydrant testing or from failure of Authority water facilities.
20. Acceptance of the Improvements shall not be made until the following requirements have been complied with:
 - A. All work has been completed in accordance with the plans and specifications, all gate wells have been set flush with the street surface, and meter boxes set to finish grade;
 - B. A set of original plans (erasable double-matte 4-mil Mylar prints), corrected to conform to the work as constructed, has been submitted to the Authority.
 - C. The Owner shall furnish the Authority with satisfactory proof (ordinarily in the form of a title company report) that no liens were filed against the project prior to the expiration of the lien period. The Authority will not accept the Improvements unless they are free of mechanic's liens.
21. After completion of the Improvements in accordance with the approved plans and specifications, and not less than thirty-five (35) days after the filing with the County Recorder of a "Notice of Completion" by the Authority, the Improvements shall be considered as donated to the Authority and shall be owned and operated by the Authority, if accepted by the Authority. After acceptance by the Authority, the Improvements shall be operated by the Authority in accordance with the rules and regulations of the Authority.
22. The Owner shall provide for construction staking and surveying for the proposed Improvements. Monuments and stakes previously installed which are removed, altered, or destroyed prior to the completion of the Improvements and their acceptance by the Authority shall be installed by the Owner within thirty (30) days after such acceptance by the Authority.
23. The Owner shall, and hereby does, guarantee all work for a period of one (1) year after date of acceptance of work by the Authority, and shall repair or replace any and all such work, together with any other work, which may be displaced in so doing, that may prove defective in workmanship and/or materials within a one (1) year period from date of acceptance of the work by the Authority without expense whatsoever to the Authority, ordinary wear and tear, unusual abuse, or neglect excepted. The Authority will give notice of observed defects with reasonable promptness. The Owner shall notify the Authority upon completion of repairs. In the event of an emergency, the Authority may make the repairs and the Owner shall be liable for all expenses incurred. In the event the Owner fails to comply with the Authority's

request for correction within one (1) week after being notified in writing by the Authority, the Authority is hereby authorized to proceed to have the defects repaired and make good at the expense of the Owner, who hereby agrees to pay the cost and charges therefor, immediately upon demand. In the event the Authority elects to repair the defective work, such action by the Authority will not relieve the Owner of the guarantees provided in this Section. The Owner shall procure and enforce contractual warranties at least as broad as the foregoing from its contractor ensuring correction of defective work or materials within no more than one (1) week after the Owner receives written notification thereof; however, in the event Owner's contractor or its surety fails to perform such warranty obligation the Owner shall remain liable for performance of the warranty obligations herein.

24. This Agreement shall be binding on and inure to the heirs and successors in interest to the Owner. In the event Owner or such successor shall violate any provision hereof, the Authority reserves the right to terminate this Agreement and to refuse to accept the Improvements, at its sole discretion.

Attachments: Exhibit A - "[Enter Exhibit Title]"
Exhibit B - "[Enter Exhibit Title]"
Exhibit C - "[Enter Exhibit Title]"
Exhibit D - "[Enter Exhibit Title]"

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day first above written.

SWEETWATER AUTHORITY

OWNER

By _____
Jennifer H. Sabine
Assistant General Manager

By _____

Date: _____

Date: _____

Document1

EXHIBIT A
PLANS AND SPECIFICATIONS

EXHIBIT B
COST ESTIMATE

1. ESTIMATED CONSTRUCTION COST OF IMPROVEMENTS:

A.		\$	
B.			
C.			
TOTAL ESTIMATE			

2. BOND AMOUNTS AND/OR INSTRUMENT OF CREDIT:

A.	Laborer's and Materialmen's Payment Bond: 100%	\$	
B.	Faithful Performance Bond (or alternative security): 100%	\$	

3. FEES:

A.	Meter(s):	\$	
	i.		
	ii.		
B.	Authority Capacity Fee(s):		
	i.		
	ii.		
C.	San Diego County Water Authority (SDCWA) Capacity Charge(s):		
	i.		
	ii.		
TOTAL			

4. DEPOSITS:

A.	Final Detail Design – Plans and Specifications	\$	
B.	Acceptance of Improvements		
C.	Inspection and Connection		
TOTAL			

5. **TOTAL FEES AND DEPOSITS:**

	\$	
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6. The above figures are estimates only and may vary accordingly. Upon completion of installation, costs will be computed, and a billing or refund will be issued as appropriate.

7. In the event a six-month period elapses from the date of preparation of this Exhibit B, the above estimated fees and deposits must be revised and are subject to the condition of agreement with the Authority.

EXHIBIT C
FORM OF BONDS
[ATTACHED BEHIND THIS COVER PAGE]

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS, THAT WHEREAS, _____
[OWNER] and _____ [CONTRACTOR], hereinafter designated the
"Principal", have entered into an agreement whereby Principal agrees to install and complete
certain designated water facilities proposed to be accepted by the Sweetwater Authority
[AUTHORITY], which agreement dated _____, 20____, and identified as:
_____ is hereby
referred to and made a part hereof; and

WHEREAS, said Principal is required to furnish a bond in connection with such agreement;
providing that if said Principal or any of his/her or its Subcontractors shall fail to pay for any
materials, provisions, provender, equipment, or other supplies use in, upon, for or about the
performance of the work to be done, or for any work or labor done thereon of any kind, or for
amounts due under the Unemployment Insurance Code or for any amounts required to be
deducted, withheld, and paid over to the Employment Development Department from the wages
of employees of said Principal and his/her Subcontractors with respect to such work or labor the
Surety on this bond will pay for the same to the extent hereinafter set forth.

NOW THEREFORE, we the Principal and _____,
a corporation organized and duly authorized to transact business under the laws of the State of
California, as Surety, are held and firmly bound unto OWNER AND AUTHORITY, as co-
obligees, in the penal sum of _____
[\$ _____] which amount is not less than One Hundred Percent (100%) of the
contract amount, payment of which sum well and truly to be made, we bind ourselves, our heirs,
executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if said Principal, his/her Subcontractors,
his/her or its heirs, executors, administrators, successors, or assigns, shall fail to pay for any
materials, provisions, provender, equipment, or other supplies used in, upon, for or about the
performance of the work contracted to be done, or for any work or labor thereon of any kind, or
for amounts due under the Unemployment Insurance Code or for any amounts required to be
deducted, withheld, and paid over to the Employment Development Department from the wages
of employees of the Principal and his/her Subcontractors pursuant to Section 103020 of the
Unemployment Insurance Code with respect to such labor, all as required by the provisions of
Title XV, Chapter 7, Sections 9550-9566 inclusive, of the Civil Code of the State of California and
acts amendatory thereof, and sections of other codes of the State of California referred to therein
and acts amendatory thereof, so furnishing said materials, provisions, provender, equipment, or
other supplies, appliances or power used in, upon, for or about the performance of the work
contracted to be executed or performed, or any person, company or corporation renting or hiring
implements or machinery or power for or contributing to said work to be done. or any person who
performs work or labor upon the same, or any person who supplies both work and materials
therefore, shall have complied with the provisions of said laws, then said Surety will pay the same
in an amount not exceeding the sum hereinabove set forth.

This bond shall inure to the benefit of any and all persons named in Section 9100 of the Civil
Code of the State of California so as to give a right of action to such persons or their assigns in
any suit brought upon this bond.

And the said Surety, for value received, hereby stipulates and agrees that no change, extension
of time, alteration, or addition to the terms of the contract or to the work to be performed

thereunder or the specifications accompanying the same shall in any wise affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the contract or to the work or to the specifications.

IN WITNESS WHEREOF, the above-bound parties have executed this instrument under their seals this _____ day of 20____, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to the authority of its governing body.

(Corporate Seal)

Contractor/ Principal

By _____

Title _____

(Corporate Seal)

Surety

By _____
Attorney-in-Fact

(Attach Attorney-in-Fact Certificate)

Title _____

(ALL SIGNATURES MUST BE NOTARIZED)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____ before me, _____
Date Here Insert Name and Title of the Officer

personally appeared _____
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

Place Notary Seal Above

NOTE: This acknowledgment is to be completed for Contractor/Principal.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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State of California)

County of _____)

On _____ before me, _____
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Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

Place Notary Seal Above

NOTE: This acknowledgment is to be completed for the Attorney-in-Fact. The Power-of-Attorney to local representatives of the bonding company must also be attached.

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, _____ [OWNER] and _____ [CONTRACTOR], hereinafter designated as "Principal", have entered into an agreement whereby Principal agrees to install and complete certain designated water facilities proposed to be accepted by the Sweetwater Authority [AUTHORITY], which agreement, dated _____, 20__, and identified as:

_____ is hereby referred to and made a part hereof; and

WHEREAS, said Principal is required under the terms of said agreement to furnish a Faithful Performance Bond connection with said agreement.

NOW THEREFORE, we the Principal and _____, a corporation organized and duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the OWNER and AUTHORITY, as co-obligees, in the penal sum of _____ of _____ [\$ _____] lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors, and administrators, jointly and severally, firmly by these presents.

The conditions and provisions of this obligation are such, that if the above-bounden Principal, his/her or their heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep, and faithfully perform the covenants, conditions, and agreements in the said contract and any alterations made as therein provided, on his/her or their part, to be kept and performed at the time and in the manner therein specified including, but not limited to, the guarantee of all work and materials for a period of one (1) year after the date of the Notice of Completion, but in no way limiting any remedies available under other provisions of law including, but not limited to, California Code of Civil Procedure section 337.15, and in all respects according to their true intent and meaning, and shall indemnify and save harmless OWNER and AUTHORITY, as co-obligees, and all of their respective officers, agents, and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect. The obligations of Surety hereunder shall continue so long as any obligation of CONTRACTOR remains.

THE SURETY HEREBY stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the agreement, or to the work to be performed thereunder or the specifications accompanying the same, shall in any way affect its obligation on this bond, and it does hereby waive notice of such changes in the agreement or to the work or to the specifications. Said Surety hereby waives the provisions of sections 2819 and 2845 of the Civil Code of the State of California.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named on _____, 20_____.

(Corporate Seal)

Contractor/ Principal

By _____

Title _____

(Corporate Seal)

Surety

By _____
Attorney-in-Fact

(Attach Attorney-in-Fact Certificate)

Title _____

(ALL SIGNATURES MUST BE NOTARIZED AND CORPORATE SEALS AFFIXED, IF APPLICABLE. **AGREEMENT SHALL BE ATTACHED.**)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____ before me, _____
Date Here Insert Name and Title of the Officer

personally appeared _____
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

Place Notary Seal Above

NOTE: This acknowledgment is to be completed for Contractor/Principal.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

Place Notary Seal Above

NOTE: This acknowledgment is to be completed for the Attorney-in-Fact. The Power-of-Attorney to local representatives of the bonding company must also be attached.

EXHIBIT D

INSURANCE REQUIREMENTS

At the time of submitting this Agreement for approval by the Authority, the Owner shall submit one (1) copy of evidence of insurance (ACORD Form 25-5, or equivalent) commonly known as "Certificate of Insurance," together with amendatory endorsements or copies of the applicable policy language effecting coverage required by this Exhibit D. The certificates are to be completed by the Owner's or its contractor's insurance carrier(s) and signed by an authorized agent(s) of the insurance company(ies). The Owner shall not commence or permit its contractor to commence any work until such "Certificate of Insurance" is in the hands of and approved by the Authority. The current insurance requirements and limits are shown below and may be modified from time to time.

A. Commercial General Liability Insurance: At all times during the performance of the work under this Agreement, including the warranty period, the Owner shall maintain or shall require its contractor to maintain Commercial General Liability (CGL) Insurance, on a per occurrence basis in a form and with insurance companies acceptable to the Authority. Coverage for Commercial General Liability Insurance shall be at least as broad as the following: Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 00 01 12 07) and must include coverage for the following:

- Bodily Injury and Property Damage
- Personal Injury/Advertising Injury
- Premises/Operations Liability
- Products/Completed Operations Liability
- Aggregate Limits that Apply per Project
- Explosion, Collapse, and Underground (UCX) Exclusion deleted
- Contractual Liability with respect to this Agreement
- Broad Form Property Damage
- Independent Contractors Coverage

Such policy shall name the Authority, the Board, and each member of the Board, its officers, employees, agents, and volunteers as Additional Insureds under the policy. Additional insured status shall be provided in the form of an endorsement to the Contractor's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37. The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the Authority.

B. Automobile Liability: At all times during the performance of the work under this Agreement, the Owner shall maintain or shall require its contractor to maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles in a form and with insurance companies acceptable to the Authority. Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 00 01 (ed. 6/92) covering automobile liability, Code 1 (any auto), or if the named insured has no owned autos, hired, (Code 8) and non-owned autos (Code 9). The automobile liability program may utilize deductibles, but not a self-insured retention, subject to written approval by the Authority. Such policy shall name the Authority, the Board and each member of the Board, its officers, employees, agents, and volunteers as Additional Insureds under the policy.

C. Workers' Compensation / Employer's Liability Insurance: At all times during the

performance of the work under this Agreement, and for twenty-four (24) months following the date or recording of the Notice of Completion, the Owner shall maintain or shall require its Contractor to maintain workers' compensation insurance in compliance with applicable statutory requirements and Employer's Liability Coverage in amounts not less than the limits specified in this Exhibit D. The workers' compensation and employer's liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the Authority. Before beginning the work, the Owner shall furnish to the Authority satisfactory proof that it or its contractor has taken out for the period covered by the work under this Agreement, full compensation insurance for all persons employed directly by him/her or through subcontractors in carrying out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof.

D. Contractor's Equipment Insurance: At all times during the performance of the work, the Owner shall maintain or shall require its contractor to maintain contractor's equipment insurance on an "all risk" basis covering equipment owned, leased, or used by Owner or contractor in the performance of the work. Such insurance shall include an insurer's Waiver of Subrogation in favor of the Authority, and will be in a form and with insurance companies acceptable to the Authority. Owner hereby releases and holds harmless and shall require its contractor to release and hold harmless the Authority for any loss or damage to equipment.

E. Minimum Policy Limits Required:
The following minimum insurance limits are required:

	<u>Combined Single Limit</u>
Commercial General Liability	\$3,000,000 per occurrence/ \$5,000,000 aggregate for bodily injury and property damage
Automobile Liability	\$1,000,000 per accident for bodily injury and property damage
Employer's Liability	\$1,000,000 per employee
Contractor's Equipment	Replacement cost

F. Policy Provisions Required: All policies shall contain a provision for thirty (30) days advance written notice by the insurers to the Authority of any cancellation. All policies shall contain a provision stating that the policies are primary insurance and that the insurance of the Authority or any additional insureds shall not be called upon to contribute to any loss.

G. Waiver of Subrogation: Owner hereby grants and shall require its contractor to grant to Authority a waiver of any right to subrogation which any insurer of said Owner or contractor may acquire against the Authority by virtue of the payment of any loss under such insurance. Owner agrees to obtain and to require its contractor to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the Authority has received a waiver of subrogation endorsement from the insurer.

H. Qualifying Insurers: All policies required shall be issued by acceptable insurance companies, as determined by the Authority, which satisfy the following minimum requirements: Insurance carriers shall be admitted to and authorized to do business in California and maintain an agent for process within the state. Such insurance carrier shall have not less than an "A" policyholder's rating and a financial rating of not less than "Class V" according to the latest Best

Key Rating Guide.

I. Additional Insurance Provisions: The foregoing requirements as to the types and limits of insurance coverage to be maintained by Owner or its contractor, and any approval of said insurance by the Authority, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Owner or its contractor pursuant to this Agreement, including but not limited to, the provisions concerning indemnification. If at any time during the life of the Agreement, the Owner fails to maintain or require its contractor to maintain in full force any insurance required herein, the Authority may acquire the necessary insurance and charge the cost thereof to the Owner who shall be responsible to pay such amount immediately. The Owner or its contractor shall include all subcontractors as insureds under its policies, or shall furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated herein. The Authority may require the Owner to provide complete copies of all insurance policies as required under this Agreement. Neither the Authority, nor the Board, nor any member of the Board, nor any of the directors, officers, employees, agents, or volunteers shall be personally responsible for any liability arising under or by virtue of the Agreement.

J. Unemployment Insurance: Owner hereby agrees to accept exclusive liability or require its contractor to accept exclusive liability for contributions for unemployment insurance, old age pensions, or annuities, measured by wages, salaries, or other remuneration paid to employees of Owner or its contractor.