

SERVICE AGREEMENT BY AND BETWEEN
COUNTY OF SAN DIEGO
AND
CITY OF SAN MARCOS
FOR
BROKEN ROCK ROAD AND LODGEPOLE ROAD ROADWAY RESURFACING

This Service Agreement for the Broken Rock Road and Lodgepole Road Roadway Resurfacing ("Agreement") is entered into this ____ day of _____, 2025, by and between the County of San Diego, a political subdivision of the State of California (hereinafter "COUNTY"), and the City of San Marcos, a municipal corporation, (hereinafter "CITY") for Roadway Resurfacing of Broken Rock Road and Lodgepole Road, located within the jurisdictional boundaries of CITY. The COUNTY and CITY are sometimes hereinafter referred to individually as the "PARTY" and collectively as the "PARTIES".

- A. Pursuant to Government Code section 54981 the legislative body of the CITY is authorized to contract with the legislative body of the COUNTY for the performance of municipal services within the territory of the CITY.
- B. The COUNTY currently has a North County Metro Roadway Resurfacing project, comprising of segments of Broken Rock Road and Lodgepole Road, which total approximately .26 miles, which excludes work outside of the COUNTY'S jurisdiction ("COUNTY PROJECT").
- C. The CITY currently has jurisdiction over portions of these segments to County Limit, which total approximately 0.04 miles, adjacent to the COUNTY PROJECT.
- D. COUNTY and CITY have mutually agreed that the following segments within the City of San Marcos are in need of resurfacing:
 - a. Brocken Rock Road from Begin to Rancho Santa Fe Road (0.13 miles)
 - b. Lodgepole Road from Rancho Santa Fe Road to End (0.13 miles)
- E. The CITY limit is either side of the COUNTY PROJECT "Exhibit A". All improvements being proposed within CITY limits shall be referred to as CITY PROJECT.
- F. The Roadway Resurfacing project will consist of asphalt concrete mill and inlay. The existing surface will be milled to a depth of two inches to remove surface distresses and irregularities. Two inches of polymer modified asphalt concrete will then be placed within the milled section. Incidental work will include and not be limited to repair of base failures (digouts), utility coordination and striping the roadway.
- G. COUNTY and CITY desire to have one agency take the lead role in the implementation of the roadway improvements in an interest to coordinate the improvements located in the two jurisdictions and to reduce overall costs by processing the two separate jurisdictional improvements as one project.
- H. COUNTY will provide the administrative, technical, managerial, and support services necessary for the implementation of the CITY PROJECT. The CITY will fund project work up to an amount of fifty-three thousand, forty-two dollars and eighteen cents (\$3,042.18) as well as changes to the CITY PROJECT completed with prior CITY approval. COUNTY will fund one hundred percent (100%) of the cost of the COUNTY PROJECT.

- I. COUNTY and CITY desire to define herein the terms and conditions under which said CITY PROJECT is to be administered, engineered, coordinated, and constructed.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties hereto agree as follows:

SECTION 1 • COUNTY AGREES:

1. To act as the lead agency on behalf of the CITY for the overall development and implementation of the CITY PROJECT. The COUNTY is providing services for which the CITY will reimburse COUNTY as shown on Exhibit "B", which is attached hereto and incorporated by this reference.
2. To prepare, or cause to be prepared, detailed plans, specifications and estimates documents ("PS&E") for CITY PROJECT and submit to CITY for review and approval at appropriate stages of development. Final plans for improvements shall be prepared to COUNTY standards and signed by a Civil Engineer registered in the State of California. Deviations from standards shall be coordinated with and approved by CITY.
3. To identify and locate all utility facilities within the limits of the CITY PROJECT as part of its design responsibility. If any existing public and/or private utility facilities conflict with CITY PROJECT construction, CITY and COUNTY shall coordinate and cooperate in good faith to make all necessary arrangements with the owners of such facilities for their protection, adjustment, relocation, or removal. CITY and COUNTY shall, in good faith, coordinate and cooperate to require the utility owner and/or its contractors performing the relocation work within CITY's right of way to obtain a CITY encroachment permit prior to the performance of said relocation work. CITY and COUNTY shall, in good faith, coordinate and cooperate in the effort to establish prior rights related to utility encroachments into each jurisdiction's right-of-way. In the case that any utility companies are determined to have prior rights, the cost of relocating utilities shall be borne by the CITY.
4. To make written application to CITY for a Public Right-of-Way Permit authorizing entry into CITY's right of way for the purposes of constructing CITY PROJECT.
5. In accordance with Exhibit "C", Agreement Designating Lead Agency, to act as the Lead Agency under the California Environmental Quality Act ("CEQA") for the CITY PROJECT. To advertise, award and administer a public works contract for the construction of the CITY PROJECT in accordance with all applicable federal, state or County statutes, ordinances, orders, governmental requirements, laws or regulations, including but not limited to the COUNTY public construction codes, California Labor Code, and California Public Contract Code.
6. To furnish a representative to perform the function of Resident Engineer during construction of CITY PROJECT.
7. To furnish qualified support staff to assist the Resident Engineer; such assistance shall include, but not be limited to, construction surveys, soils and compaction tests, measurement and computation of quantities, testing of construction materials, checking submittals, preparation of estimates and reports, preparation of as-built drawings, and other inspection and staff services necessary to assure that the construction is performed in accordance with the PS&E documents.
8. To construct the CITY PROJECT in accordance with approved PS&E documents.

9. To submit any contract change order that causes the amount of the CITY PROJECT improvements to exceed \$53,042.18 (as shown in Exhibit B) to CITY for review and approval prior to final authorization by COUNTY.
10. To furnish CITY as-built plans, within one hundred and eighty (180) days following the completion and acceptance of the CITY PROJECT construction contract.
11. To furnish CITY a final reconciliation of project expenses within ninety (90) days following the completion and acceptance of the CITY PROJECT construction contract. If final costs associated with the CITY's improvements are in excess of the deposit provided in Section 2, COUNTY shall include a final bill with the financial reconciliation. If final costs associated with the CITY's improvements are less than the deposit provided in Section 2, COUNTY shall reimburse CITY for the difference with the financial reconciliation.

SECTION 2 • CITY AGREES:

1. To fund one hundred percent (100%) of the cost of the CITY PROJECT. CITY agrees that should unforeseen circumstances arise which result in an increase of any costs over those shown in "Exhibit B", CITY will in good faith amend this Agreement to include any such costs under this Agreement, subject to City Council approval if applicable.
2. To deposit with COUNTY, within thirty (30) days of executing this agreement, full value (\$53,042.18) (the "Deposit"), as provided in "Exhibit B".
3. CITY agrees to approve the COUNTY or its contractors Public Right-of-Way Permit application authorizing entry onto CITY's right of way to perform all surveys and other field activities required for preparation of the PS&E, utility coordination, and construction of the CITY PROJECT, if the proposed work meets CITY design and access requirements, within forty-five (45) days of the application being deemed complete. CITY agrees to reimburse COUNTY for COUNTY, or its contractor's, cost to obtain such permit and for any requirements of said permit not required by COUNTY's construction contract.
4. City agrees to waive permits (except for Public Right-of-Way Permit) including, but not limited to, private development applications for COUNTY activities required for resurfacing within CITY boundaries
5. Provide a representative to coordinate with the COUNTY's Project Manager during the development and the construction of CITY PROJECT, and to verify facilities are constructed as required by this Agreement, if applicable.
6. To provide oversight of the CITY PROJECT, to provide reviews and approvals, as appropriate, of submittals by COUNTY, and to cooperate in processing of the CITY PROJECT.
7. To pay within forty-five (45) days of receipt, the invoice for final reconciled cost in excess of the deposit amount for CITY PROJECT submitted by COUNTY for services rendered in accordance with this Agreement, subject to City Council approval if applicable.
8. City agrees that it shall be legally obligated to pay the full cost of the CITY PROJECT, including any costs associated with change orders reasonably necessary to complete the project, and that this liability shall not be reduced, excused or defensed on the basis of the failure or refusal of the City Council to approve an amendment to this Agreement or budget necessary funds to pay the liability.
9. City agrees that COUNTY shall not be liable to CITY for any cost increases or liabilities resulting from any alleged errors or omissions in site investigation, utility coordination, engineering

review, or other activities associated with, use in, and including the PSE for the CITY PROJECT and that COUNTY makes no representations or warranties regarding quality of work or materials for the CITY PROJECT. CITY is a third-party beneficiary of the CITY PROJECT work to be included in the COUNTY contract per Section 1 and COUNTY agrees to assign any warranties or other contractual rights it may have to CITY for the CITY PROJECT portion of the work.

SECTION 3 • IT IS MUTUALLY AGREED AS FOLLOWS:

1. The total cost to CITY to complete PS&E documents, construction, including construction survey, inspection and a material testing for CITY PROJECT, including soft costs and contingency, is estimated to be, fifty-three thousand, forty-two dollars and eighteen cents (53,042.18) as detailed in "Exhibit B".
2. COUNTY shall not be obligated to commence construction of the CITY PROJECT until after receipt of CITY's deposit as required in Section 2.
3. During any portion of the CITY PROJECT, if a cost overrun exceeding ten percent (10%) of the COUNTY Construction Cost Estimate is identified, COUNTY and CITY shall endeavor to agree upon a course of action in a timely manner to avoid construction delay, contractor mobilization or similar costs.
4. Construction by COUNTY of improvements referred to herein which lie within CITY rights of way shall not be commenced until a Public Right-of-Way Permit to COUNTY, or COUNTY's contractor, authorizing such work has been issued by CITY.
5. Parties shall obtain and/or cause any agent, subcontractor or other representative of that Party to maintain insurance at its own cost and expense and keep in force and effect during the term of this Agreement, including all extensions, policies of insurance or programs of self-insurance with policy limits in sufficient amounts to cover any and all potential liability of such Party hereunder. COUNTY shall ensure that any contractor or subcontractors working on the CITY PROJECT will name City of San Marcos, its respective elected officials, officers, employees, agents, and representatives as additional insureds under all policies of insurance, and that additional insured certificates be provided to CITY as specifically set forth in Exhibit D, City of San Marcos Insurance Requirements. COUNTY shall also ensure that any contractor or subcontractor working on the CITY PROJECT will agree to defend and indemnify City of San Marcos, its respective elected officials, officers, employees, agents, and representatives against any claims arising out of the CITY PROJECT, with the exception of claims arising out of the CITY'S sole negligence or willful misconduct. Ownership and title to all materials, equipment, and appurtenances installed as part of this Agreement will be automatically vested with the jurisdiction in which the improvements reside, and no further agreement will be necessary to transfer ownership. COUNTY shall have no liability for any claims within the scope of insurance provided by the COUNTY's contractor, and any insurance or self-insurance maintained by COUNTY shall not be obligated for any such insured claims.
6. CITY shall be responsible for the maintenance of the improvements provided by CITY PROJECT. COUNTY shall be responsible for the maintenance of the improvements provided by COUNTY PROJECT.
7. No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by all parties and no oral understanding or agreement not incorporated herein shall be binding on each party hereto.

8. In the event that either party defaults in the performance of any of its obligations under this Agreement or materially breaches any of the provisions of this Agreement, the other party shall have the option to terminate this Agreement for default. Termination by CITY for default after the award of a construction contract shall not excuse CITY from paying for the CITY PROJECT work completed prior to termination. If COUNTY's contractor has the legal right to complete work per the awarded contract, CITY's termination for default shall not excuse the CITY from liability to the contractor for completion or damages for failure to allow completion of the CITY PROJECT.
9. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the same shall be deemed severable from the remainder of this Agreement, and the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.
10. This Agreement is to be construed in accordance with the laws of the State of California.
11. Neither the CITY nor COUNTY shall assign this Agreement without the written consent of the other party.
12. Any action at law or in equity brought by any of the parties hereto for the purpose of enforcing a right or rights provided by this Agreement shall be tried in a court of competent jurisdiction in the City and County of San Diego, State of California, and the parties hereto waive all provisions of law providing for a change of venue in such proceedings to any other county.
13. This Agreement is the result of negotiations between the parties hereto, and the advice and assistance of their respective counsel. The fact that this Agreement was prepared as a matter of convenience by CITY or COUNTY shall have no importance or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against the party that prepared it in its final form.
14. Any waiver by COUNTY or CITY of any breach by any other party of any provision of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or any other provision hereof. Failure on the part of COUNTY or CITY to require from any other party exact, full and complete compliance with any of the provisions of this Agreement shall not be construed as in any manner changing the terms hereof, or stopping COUNTY or CITY from enforcing this Agreement.
15. This Agreement and the Exhibits herein contain the entire agreement between the PARTIES, and are intended by the PARTIES to completely state the Agreement in full. Any agreement or representation respecting the matters dealt with herein or the duties of any party in relation thereto, not expressly set forth in this Agreement, is null and void.
16. Nothing in the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not a party to this Agreement or affect the legal liability of any party to the Agreement by imposing any standard of care with respect to the maintenance of roads different from the standard of care imposed by law.
17. CITY and COUNTY shall retain or cause to be retained for audit, all records and accounts relating to CITY PROJECT for a period of minimum three (3) years from the date of Notice of Completion of the CITY PROJECT.
18. The CITY PROJECT shall be awarded and completed in conformity with all applicable federal, State, and COUNTY laws, rules, and regulations, current and hereinafter enacted, including facility and professional licensing and/or certification laws and keep in effect any and all

licenses, permits, notices and certificates as are required. The COUNTY as the Party responsible for overseeing the contract work shall ensure compliance with all laws applicable to wages and hours of employment, occupational safety, and to fire safety, health and sanitation. In addition to any applicable federal or State laws, rules, or regulations, COUNTY shall comply with CITY requirements imposed for access to CITY right-of-way and design requirements included in the PSE at the request of the CITY.

19. Any party may propose amendments to this Agreement by providing written notice of such amendments to the other party. This Agreement may only be amended by a written amendment signed by each party's administrator.
20. This Agreement only applies to the CITY PROJECT described herein and does not set forth any additional current or future obligations or agreements between the parties, except that the parties may by written amendment amend the scope of this Agreement.
21. This Agreement shall become effective on the date all of the parties have signed this Agreement and be in force until the latter of two years from the execution date or the completion and final payment by CITY for CITY PROJECT.
22. The COUNTY or CITY may, by written notice stating the extent and effective date, terminate this Agreement for convenience in whole or in part, at any time prior to the award of a construction contract for the CITY PROJECT by COUNTY.
23. This Agreement may be executed in any number of separate counterparts, each of which shall be deemed an original but all of which when taken together shall constitute one and the same instrument.
24. All notices, demands, invoices, and other communications required or permitted hereunder shall be in writing and delivered to the following addresses or such other address as the Parties may designate:

COUNTY:

County of San Diego, Department of Public Works
Attn: Samir Nuhaily, PE, Deputy Director of Public Works
5510 Overland Ave, Suite 370
San Diego, CA 92123
Phone: (619) 507-7754

CITY:

City of San Marcos, California
Isaac Etchamendy, Director of Development Services
1 Civic Center Drive
San Marcos, CA 92069
Phone: (760) 744-1050

Attachments:

1. EXHIBIT A – PROJECT MAP
2. EXHIBIT B – CITY ESTIMATED PROJECT COSTS
3. EXHIBIT C – AGREEMENT DESIGNATING THE COUNTY OF SAN DIEGO AS THE LEAD AGENCY FOR PROJECT
4. EXHIBIT D – SAN MARCOS INSURANCE REQUIREMENTS

IN WITNESS WHEREOF, this Agreement is executed by the City of San Marcos and the County of San Diego, acting by and through their authorized officers.

COUNTY OF SAN DIEGO

BY: _____

ANDREW POTTER

Executive Officer/ Clerk of the Board of Supervisors

DATE: _____

Approved as to form this _____ day of
_____, 2025.BY: _____
THOMAS BOSWORTH
County Counsel

CITY OF SAN MARCOS

BY: Michelle Bender

MICHELLE BENDER

City Manager

DATE: 9/29/2025Approved as to form this 27 day of
September 2025.

HELEN HOLMES PEAK, City Attorney

Exhibit A- Project Map

Docusign Envelope ID: 84AF9490-0EA2-4E9B-B9F5-DC2657D636B0

County DPW Resurfacing Exhibit

Broken Rock Rd



Docusign Envelope ID: 84AF9490-0EA2-4E9B-B9F5-DC2657D636B0

County DPW Resurfacing Exhibit

Lodgepole Rd



Exhibit B- City Estimated Project Costs

ATTACHMENT C

Docusign Envelope ID: 84AF9490-0EA2-4E9B-B9F5-DC2657D636B0

SUPERVISORIAL DISTRICT 5										
County Planning Group	Road Name	FROM	TO	# LANES	Area (SY)	Treatment	PCI	Est Construction Cost	Est Total Cost (Const + 28% Soft Cost)	City Length (MI)
NORTH COUNTY METRO (ISL)	BROKEN ROCK RD	LAKE RIDGE DR	115 FT S/O LAKE RIDGE DR	2	469	2" Mill/Inlay	42	\$18,352	\$23,490.82	0.02
NORTH COUNTY METRO (ISL)	LOGEPOLE RD	LAKE RIDGE DR	126 FT S/O LAKE RIDGE DR	2	590	2" Mill/Inlay	38	\$23,087	\$29,551.36	0.03
				4	1,059			\$41,439.20	\$53,042.18	0.05

Mill Inlay						
No.	Code	Item Description	Qty	Unit	Cost	Total
1		Prepare Water Pollution Control Program	1	LS	\$500	\$500
2		Construction Site Management	1	LS	\$2,000	\$2,000
3		Plane Asphalt Concrete Pavement (Full Width)	1,059	SY	\$4.75	\$5,030
4		Replace Asphalt Concrete Surfacing	12	CY	\$275	\$3,236
5		Tack Coat	0.4	TON	\$800	\$310
6		HMA Type A	141	TON	\$145	\$20,457
7		Pavement Delineation	1	LS	\$2,000.00	\$2,000
8		Field Orders	1	DLR	\$1,000	\$1,000
					Base Subtotal	\$34,533
					Contingency (20%)	\$6,907
					Base Total	\$41,439

\$39.13

**Exhibit C- Agreement Designating the County of
San Diego as the Lead Agency for Project**

Attachment C**AGREEMENT DESIGNATING THE COUNTY OF SAN DIEGO AS THE LEAD AGENCY FOR PROJECT**

This agreement is made between the County of San Diego (County) and City of San Marcos (City) under Title 14 California Code of Regulations 15051(d), designating the County as the lead agency under the California Environmental Quality Act (CEQA) for the City Project.

WHEREAS, the County and City desire the County to carry out the City Project pursuant to Broken Rock Road and Lodgepole Road Resurfacing project;

WHEREAS, the City currently has jurisdiction over a portion of the roadway where the City Project is located, and the City will fund one hundred percent (100%) of the City Project;

WHEREAS, both parties are public agencies that may each carry out or approve portions of the project, and both may have substantial claim to act as lead agency under CEQA;

NOW THEREFORE, the parties agree that the County will act as the CEQA lead agency for the environmental review of the project and will have all discretion to fulfill the obligations of a CEQA lead agency with respect to the project.

IN WITNESS WHEREOF, this Agreement is executed by the City of San Marcos and the County of San Diego, acting by and through their authorized officers.

COUNTY OF SAN DIEGO

San Marcos

BY: _____

ANDREW POTTER

Executive Officer/ Clerk of the Board of Supervisors

DATE: _____

Approved as to form this ____ day of
_____, 2025.BY: _____
THOMAS BOSWORTH
County CounselBY: M. Bender

MICHELLE BENDER, City Manager

DATE: 9/29/2025Approved as to form this 17 day of
September 2025.

HELEN HOLMES PEAK, City Attorney

Exhibit D- City of San Marcos Insurance Requirements

Exhibit D – City of San Marcos Insurance Requirements

The City of San Marcos Insurance Requirements are as follows:

Standard Specifications for Public Works Construction ("The GREENBOOK") <http://www.greenbookspecs.org/> 2018, Document No. PWPI010119-01, Section 5-4 INSURANCE.

5-4 INSURANCE. To the "GREENBOOK", DELETE in its entirety and SUBSTITUTE with the following:

5-4 INSURANCE.

1. The insurance provisions herein shall not be construed to limit your indemnity obligations contained in the Contract.

5-4.1 Policies and Procedures.

1. You shall procure the insurance or self-insurance (collectively "insurance") described below, at its sole cost and expense, to provide coverage against claims for loss including injuries to persons or damage to property, which may arise out of or in connection with the

performance of the Work by you, your agents, representatives, officers, employees or Subcontractors.

2. Insurance coverage for property damage resulting from your operations is on a replacement cost valuation. The market value will not be accepted.

3. You shall maintain this insurance for the duration of this Contract and at all times thereafter when you are correcting, removing, or replacing Work in accordance with this Contract. Your liabilities under the Contract, e.g., your indemnity obligations, is not deemed limited to the insurance coverage required by this Contract.

4. The payment for insurance shall be included in the Contract Price as bid by you. Except as specifically agreed to by the City in writing, you are not entitled to any additional payment. Do not begin any Work under this Contract until you have provided and the City has approved all required insurance.

5. Policies of insurance shall provide that the City is entitled to 30 Days (10 Days for cancellation due to non-payment of premium) prior written notice of cancellation or non-renewal of the policy. Maintenance of specified insurance coverage is a material element of the Contract. Your failure to maintain or renew coverage or to provide evidence of renewal during the term of the Contract may be treated by the City as a material breach of the Contract.

5-4.2 Types of Insurance.**5-4.2.1 Commercial General Liability Insurance.**

1. Commercial General Liability Insurance shall be written on the current version of the ISO Occurrence form CG 00 01 07 98 or an equivalent form providing coverage at least as broad.

2. The policy shall cover liability arising from premises and operations, XCU (explosions, underground, and collapse), independent contractors, products/completed operations, personal injury and advertising injury, bodily injury, property damage, and liability assumed under an insured's contract (including the tort liability of another assumed in a business contract).

3. There shall be no endorsement or modification limiting the scope of coverage for either "insured vs. insured" claims or contractual liability. You shall maintain the same or equivalent insurance for at least 10 years following completion of the Work.

4. All costs of defense shall be outside the policy limits. Policy coverage shall be in liability limits of not less than the following:

<u>General Annual Aggregate</u>	<u>Limit Limits of Liability</u>
Other than Products/Completed Operations	\$2,000,000
Products/Completed Operations Aggregate Limit	\$2,000,000
Personal Injury Limit	\$1,000,000
Each Occurrence	\$1,000,000

5-4.2.2 Commercial Automobile Liability Insurance.

1. You shall provide a policy or policies of Commercial Automobile Liability Insurance written on the current version of the ISO form CA 00 01 12 90 or later version or equivalent form providing coverage at least as broad in

the amount of \$1,000,000 combined single limit per accident, covering bodily injury and property damage for owned, non-owned, and hired automobiles ("Any Auto").

2. All costs of defense shall be outside the limits of the policy.

5-4.3 Rating Requirements. Except for the State Compensation Insurance Fund, all insurance required by this Contract as described herein shall be carried only by responsible insurance companies with a rating of, or equivalent to, at least "A-, VI" by A.M. Best Company, that are authorized by the California Insurance Commissioner to do business in the State, and that have been approved by the City.

5-4.3.1 Non-Admitted Carriers. The City will accept insurance provided by non-admitted, "surplus lines" carriers only if the carrier is authorized to do business in the State and is included on the List of Approved Surplus Lines Insurers (LASLI list). All policies of insurance carried by non-admitted carriers shall be subject to all of the requirements for policies of insurance provided by admitted carriers described herein.

5-4.4 Evidence of Insurance. Furnish to the City documents e.g., certificates of insurance and endorsements evidencing the insurance required herein, and furnish renewal documentation prior to expiration of this insurance. Each required document shall be signed by the insurer or a person authorized by the insurer to bind coverage on its behalf. We reserve the right to require complete, certified copies of all insurance policies required herein.

5-4.5 Policy Endorsements.

5-4.5.1 Commercial General Liability Insurance.

5-4.5.1.1 Additional Insured.

1. You shall provide at your expense policy endorsement written on the current version of the ISO Occurrence form CG 20 10 11 85 or an equivalent form providing coverage at least as broad.

2. To the fullest extent allowed by law e.g., California Insurance Code §11580.04, the policy shall be endorsed to include the City and its respective elected officials, officers, employees, agents, and representatives as additional insured.

3. The additional insured coverage for projects for which the Engineer's Estimate is \$1,000,000 or more shall include liability arising out of:

- a) Ongoing operations performed by you or on your behalf,
- b) your products,
- c) your Work, e.g., your completed operations performed by you or on your behalf, or
- d) premises owned, leased, controlled, or used by you.

4. The additional insured coverage for projects for which the Engineer's Estimate is less than \$1,000,000 shall include liability arising out of:

- a) Ongoing operations performed by you or on your behalf,
- b) your products, or
- c) premises owned, leased, controlled, or used by you.

5-4.5.1.2 Primary and Non-Contributory Coverage. The policy shall be endorsed to provide that the coverage with respect to operations, including the completed operations, if appropriate, of the Named Insured is primary to any insurance or self-insurance of the City and its elected officials, officers, employees, agents and representatives. Further, it shall provide that any insurance maintained by the City and its elected officials, officers, employees, agents and representatives shall be in excess of your insurance and shall not contribute to it.

5-4.5.1.3 Project General Aggregate Limit. The policy or policies shall be endorsed to provide a Designated Construction Project General Aggregate Limit that will apply only to the Work. Only claims payments which arise from the Work shall reduce the Designated Construction Project General Aggregate Limit. The Designated Construction Project General Aggregate Limit shall be in addition to the aggregate limit provided for the products-completed operations hazard.

5-4.5.2 Commercial Automobile Liability Insurance.

5-4.5.2.1 Additional Insured. Unless the policy or policies of Commercial Auto Liability Insurance are written on an ISO form CA 00 01 12 90 or a later version of this form or equivalent form providing coverage at least as broad, the policy shall be endorsed to include the City and its respective elected officials, officers, employees, agents, and representatives as additional insured, with respect to liability arising out of automobiles owned, leased, hired or borrowed by you or on your behalf. This endorsement is limited to the obligations permitted by California Insurance Code §11580.04.

5-4.6 Deductibles and Self-Insured Retentions. You shall pay for all deductibles and self-insured retentions. You shall disclose deductibles and self-insured retentions to the City at the time the evidence of insurance is provided.

5-4.7 Reservation of Rights. The City reserves the right, from time to time, to review your insurance coverage, limits, deductibles and self-insured retentions to determine if they are acceptable to the City. The City will reimburse you, without overhead, profit, or any other markup, for the cost of additional premium for any coverage requested by the Engineer but not required by this Contract.

5-4.8 Notice of Changes to Insurance. You shall notify the City 30 Days prior to any material change to the policies of insurance provided under this Contract.

5-4.9 Excess Insurance. Policies providing excess coverage shall follow the form of the primary policy or policies e.g., all endorsements.

5-4.11 Workers' Compensation Insurance and Employers Liability Insurance.

1. In accordance with the provisions of §3700 of the California Labor Code, you shall provide at your expense Workers' Compensation Insurance and Employers Liability Insurance to protect you against all claims under applicable state workers compensation laws. The City, its elected officials, and employees will not be responsible for any claims in law or equity occasioned by your failure to comply with the requirements of this section.

2. Limits for this insurance shall be not less than the following:

Workers' Compensation	Statutory Employers Liability
Bodily Injury by Accident	\$1,000,000 each accident
Bodily Injury by Disease	\$1,000,000 each employee
Bodily Injury by Disease	\$1,000,000 policy limit

3. By signing and returning the Contract you certify that you are aware of the provisions of §3700 of the 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 you shall comply with such provisions before commencing the Work as required by §1861 of the California Labor Code.

5-4.11.1 Waiver of Subrogation. The policy or policies shall be endorsed to provide that the insurer will waive all rights of subrogation against the City and its respective elected officials, officers, employees, agents, and representatives for losses paid under the terms of the policy or policies and which arise from Work performed by the Named Insured for the City.