



# **CITY OF LOS ALTOS REQUEST FOR PROPOSALS FOR BMR ADMINISTRATOR SERVICES**

**Issue Date: April 17, 2024**

**Proposal Due Date: May 20, 2024 by 4:00 p.m.**

Contact:  
Monica Gallardo-Melkesian, Housing/Code Enforcement Manager  
City of Los Altos  
Development Services Department  
One North San Antonio Road  
Los Altos, California 94022  
[mgallardo@losaltosca.gov](mailto:mgallardo@losaltosca.gov)  
650-947-2646

# REQUEST FOR PROPOSALS FOR BMR ADMINSTRATOR SERVICES

## I. GENERAL PROJECT DESCRIPTION

The City of Los Altos (“City”) is requesting proposals from qualified affordable housing/below market rate administrators (“Consultant”) to provide consulting services to assist City staff with the management of the City’s affordable housing program. The City intends to manage some aspects of the affordable housing program in-house and work with the Consultant to perform tasks as needed and defined below in Section III, Scope of Work.

## II. BACKGROUND

Just 40 miles south of San Francisco, Los Altos is in Santa Clara County and is bordered by Los Altos Hills to the west, Palo Alto to the west and northwest, Mountain View to the northwest and northeast, Sunnyvale to the east, and Cupertino to the southeast. Incorporated in 1952, the City was originally an agricultural town with many summer cottages and apricot orchards, and now is a predominantly residential community with tree-lined streets and a small-village atmosphere. The approximately seven-square mile community is developed with various businesses, schools, libraries, churches, and residences and has a population of approximately 30,000 people.

## III. SCOPE OF WORK

The Consultant shall enter into an Agreement that provides for the below market rate services outlined below as requested by City staff on an as needed basis. The City desires to retain a qualified Consultant to perform administrative services related to the oversight, compliance, sales, and rental of the City’s affordable housing units. The City’s Standard Agreement for Professional Services, including insurance requirements, is attached.

Proposers should feel free to include any other services not specified that they deem necessary to achieve the intent of this RFP. Services the successful Proposer will be expected to provide, include but are not limited to:

- Assist in preparing the BMR sales prices for the affordable housing units within a project;
- Assist in developing marketing, advertising and outreach materials for the below market rate “(BMR)” units as needed;
- Provide homebuyer education materials for qualified BMR applicants;
- Verify eligibility of BMR applications using the City’s most recently adopted priority list;
- Assist buyers with financing and subsidy layering;
- Assist with the timely and accurate preparation of the purchase contract and the necessary documents for BMR Restrictions including Notes, Deed of Trust, Subordination Agreements, etc.;
- Assist in coordinating open houses and close of escrow including sending the recorded documents to the City Clerk;
- Help with re-leasing of rental units; and
- Provide guidance and advice on procedures related to the transfer of affordable housing units (both for-sale and rental units).

#### IV. PROPOSAL FORMAT AND CONTENT

Proposals must be organized in the following format and include the following content:

1. Transmittal Letter
  - a. Identification of Proposer who will have contractual responsibility with the City. Identification shall include the legal name of company, corporate address, telephone number and email address of the contact person identified during the period of proposal evaluation.
  - b. A statement to the effect that the proposal shall remain valid for a period of not less than 90 days from the date of submittal.
  - c. Signature of the official authorized to bind Proposer to the terms of the proposal.
  - d. Signed statement attesting that all information submitted with the proposal is true and correct.
2. Provide a brief profile of the firm, including the types of services offered; the year founded; form of the organization (corporation, partnership, or sole proprietorship); number, size, and location of offices; and total number of employees.
3. Describe the firm's experience in performing work of a similar nature to that solicited in this RFP. Consultant(s) will demonstrate relevant work experience by providing a written summary of their affordable housing services with other municipalities and highlight the participation in such work by the key personnel proposed for assignment to the City.
4. Describe specialized training, experience, and professional competence in the area directly related to this RFP.
5. Provide a minimum of three (3) references for completed work similar to that in scope of work contained in this RFP. Furnish the contact's name, title, address and telephone number of the person at each client agency/organization who is most knowledgeable about the work performed.
6. Work Plan
  - a. Describe the proposed approach and work plan for completing the services specified in the Scope of Work. The description of the proposed approach shall discuss the services in sufficient detail to demonstrate the Proposer's ability to accomplish the City's objectives.
  - b. Describe approach to managing resources, including a description of the role(s) of any sub-consultants, if applicable, their specific responsibilities, and how their work will be supervised. Identify methods that the Proposer will use to ensure quality, budget, and schedule control.
7. An hourly fee schedule for the services to be provided.
8. Identify sub-consultants by company name, address, contact person, telephone number and project function, if applicable. The list should include a summary of the roles and responsibilities of each sub-consultant.
9. Provide an estimated project schedule and completion date. The City seeks to implement the resulting contract upon selection of consultant(s) in a timely fashion with an estimated start date of July 2024, or as soon as possible thereafter. Proposers should include how the consultant proposes to fulfill this requirement.

## **V. PROPOSAL EVALUATION**

A review committee will judge the merit of proposals received in accordance with the general criteria defined herein. Failure of proposers to provide in their proposal any information requested in this RFP may result in disqualification of the proposal. The sole objective of the review committee will be to select proposals that are most responsive to the City's needs.

1. Experience of proposed staff. Experience of project staff with similar scope of services. Level of education, training, licensing, and certification of staff.
2. Approach to the project. Demonstrated understanding of the City's needs and solicitation requirements. Approach is well organized and presented in a clear, concise, and logical manner. Availability and proposed use of technology and methodologies. Quality control and thoroughness is well defined.
3. Relevant Experience. Experience with public agencies and years of experience with relevant experience. Emphasis shall be on providing public agency BMR administrative services.
4. Fair and Reasonable Cost. Reasonableness of labor rates submitted and competitiveness of these rates with other rates submitted.

As reflected above, the contract award will not be based solely on price, but on a combination of factors as determined to be in the best interest of the City. After evaluating the proposals and discussing them further with the finalists the City reserves the right to further negotiate the proposed work and/or method and amount of compensation.

## **VI. GENERAL CONDITIONS AND PROVISIONS**

The City reserves the right to:

1. Reject any responses.
2. Negotiate with more than one consultant.
3. Waive minor irregularities in a response.
4. Cancel, revise, or extend this solicitation.
5. Request additional information on any response beyond that required by this RFP.
6. Modify the selection process set forth in this RFP upon written notification to all respondents who have not been rejected at the time of modification.

## **VII. SUBMISSION INSTRUCTIONS**

Please submit five (5) printed copies and one (1) digital PDF copy on a USB of your full proposal at your earliest convenience, but no later than May 20, 2024, by 4:00 p.m. to:

Monica Gallardo-Melkesian, Housing/Code Enforcement Manager  
City of Los Altos  
Development Services Department  
One North San Antonio Road  
Los Altos, California 94022

Attachments:

Attachment 1: Standard Agreement for Professional Services

# ATTACHMENT 1

## Los Altos Standard Agreement for Professional Services



**PROFESSIONAL SERVICES AGREEMENT BETWEEN  
THE CITY OF LOS ALTOS, CALIFORNIA  
AND XXXXXX  
FOR XXXXXXXX SERVICES FOR XXXXXXXX**

**THIS AGREEMENT** is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the CITY OF LOS ALTOS, a municipal corporation, hereinafter referred to as “**CITY,**” and XXXXXXXX, a xxx, hereinafter referred to as “**CONSULTANT.**”

**RECITALS**

**WHEREAS,** CITY desires to retain a qualified consulting firm to perform xxxxxx and xxxxxx to produce a xxxxxxxx; and

**WHEREAS,** CITY has determined that CONSULTANT possesses the skills, experience and certifications required to provide the services required by the CITY; and

**WHEREAS,** CONSULTANT is an independent consultant providing similar professional services to numerous other cities; and

**WHEREAS,** CITY desires to retain CONSULTANT to provide professional services under the terms and conditions set forth in this Agreement.

**NOW, THEREFORE,** in consideration of the mutual covenants, conditions and promises identified herein, the parties mutually agree as follow:

**1. SCOPE OF SERVICES.**

**A. CONSULTANT.** CONSULTANT shall assist the CITY by executing the following scope of services in a satisfactory and proper manner in accordance with requirements provided by the City Manager, or designee. Services will include, but not be limited to, the items noted in CONSULTANT’s proposal attached hereto and incorporated herein as Exhibit A.

**2. SCHEDULE.** Services of CONSULTANT are to commence upon the execution of this Agreement and shall continue in full force and effect until it is terminated. It is intended that the termination of this Agreement be contemporaneous with final acceptance of all services described in Exhibit A by the Los Altos City Manager, or designee. CONSULTANT shall meet the completion date as indicated on Exhibit A.

**3. TERM.** The term of this Agreement shall continue in full force and effect for FY2022/23 through FY20XX/XX. Changes in Scope of Services and Payment Schedule, Exhibit A, can be amended, as needed, thirty (30) days prior to the expiration of each fiscal year. If the Agreement is terminated, it is intended that the termination of the Agreement be contemporaneous with final acceptance of all services by CITY.

4. **COMPENSATION.** CONSULTANT will perform the work outlined above and will invoice CITY upon completion of the project. CONSULTANT's total compensation, including reimbursed expenses, for the services set forth for the Contract shall not exceed \$x,xxx as outlined in Exhibit A.

A. **Compensation.** The compensation shall be paid to CONSULTANT based on the following hourly rates guide:

Consultant	\$xxx/hour
Partner	\$xxx/hour
Xxx process	\$xx,x00 flat fee
Yyy process	\$x,x00

The total contract value shall not to exceed \$xx,x00.

B. **Method of Payment.** As a condition precedent to any payment to CONSULTANT under this Agreement, CONSULTANT shall submit monthly to the CITY a statement of account which clearly sets forth the designated items of work for which the billing is submitted. Each statement of account shall also include a detailed record of the month's actual reimbursable expenditures.

CITY shall review CONSULTANT's monthly statement and pay CONSULTANT for services rendered hereunder at the rates if acceptable and in the amounts provided hereunder on a monthly basis in accordance with the approved monthly statements. Payment will be made according to the CITY's standard Payment Schedule and Terms.

5. **OWNERSHIP OF WORK.** All documents furnished to CONSULTANT by CITY and all reports and supportive data prepared by CONSULTANT by this Agreement are CITY's property, for the exclusive use of the CITY, shall be given to CITY at the completion of CONSULTANT services. CITY shall be granted xxx.

CONSULTANT may contract with others to provide xxxx.

6. **COMPLIANCE WITH LAW.** CONSULTANT shall comply with all applicable federal, state and local laws, codes, ordinances and regulations, including Cal/OSHA requirements. CONSULTANT represents to CITY that it has, and will maintain through the term of the Agreement, all licenses, permits, qualifications, insurance and approvals of whatsoever nature, which are legally required for CONSULTANT to practice its profession. CONSULTANT shall maintain a City of Los Altos Business License.

7. **STANDARD OF CARE.** CONSULTANT's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

8. **INSURANCE.** CONSULTANT shall procure and maintain for the duration of the contract insurance as described in Exhibit B 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 the CONSULTANT, its agents, representatives, employees or subcontractors.

9. **RELATIONSHIP BETWEEN THE PARTIES.** CONSULTANT is, and at all times shall remain, an independent contractor, not an agent or employee of the CITY. CONSULTANT shall be solely responsible for all acts of its employees, agents or sub-consultants, including any negligent acts or omissions. CONSULTANT shall have no authority to act on behalf of the CITY or to bind the CITY to any obligation whatsoever, unless the CITY provides prior written authorization to CONSULTANT. As an independent contractor, CONSULTANT shall not be entitled to any benefit, right or compensation from the CITY other than those provided for in this Agreement.
10. **INDEMNIFICATION.** To the fullest extent permitted by law, CONSULTANT shall defend (with counsel reasonably approved by CITY), indemnify and hold CITY, the City Council, members of the City Council, 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.

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. CONSULTANT's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by CITY, the City Council, members of the City Council, its employees, or authorized volunteers.

11. **CALIFORNIA LABOR CODE REQUIREMENTS.** CONSULTANT is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" or "maintenance" projects. If the services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, CONSULTANT agrees to fully comply with such Prevailing Wage Laws, if applicable. CONSULTANT shall defend, indemnify and hold the CITY, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the CONSULTANT and all sub-consultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Section 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1).

If the services are being performed as part of an applicable "public works" or "maintenance" project, then pursuant to Labor Code Sections 1725.5 and 1771.1, CONSULTANT and all sub-consultants performing such services must be registered with the Department of Industrial



Relations. CONSULTANT shall maintain registration for the duration of the Project and require the same of any sub-consultants, as applicable. This Project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be CONSULTANT's sole responsibility to comply with all applicable registration and labor compliance requirements.

12. **TERMINATION OF AGREEMENT.** Notwithstanding any other provision of this Agreement, the CITY may terminate this Agreement without cause at any time upon giving ten days written notice to CONSULTANT. In the event of such a termination, CONSULTANT shall be entitled to any compensation owed for services rendered up to the effective date of termination.
13. **MAINTENANCE OF RECORDS.** Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by CONSULTANT and made available at all reasonable times during the contract period and for four (4) years from the date of final payment under this Agreement for inspection by CITY.
14. **ORGANIZATION.** CONSULTANT shall assign \_\_\_\_\_ as Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of CITY.
15. **WRITTEN NOTIFICATION.** Any notice, demand, request, consent, approval, or communications that either party desires or is required to give to the other party shall be in writing and either served personally or sent by prepaid, first class mail. Any such notice, demand, etc., shall be addressed to the other part at the address set forth herein below. Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated within 48 hours from the time of mailing it mailed as provided in this section.

<b><u>CITY:</u></b>	City of Los Altos Gabriel Engeland, City Manager (or Project Manager) 1 N. San Antonio Road Los Altos, CA 94022
<b><u>CONSULTANT:</u></b>	XXX Contact Address Address

16. **PARTIAL INVALIDITY.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.
17. **WAIVER.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision of the Agreement.
18. **NO IMPLIED WAIVERS.** The failure of either party at any time to require performance by the other party of any provisions hereof shall not affect in any way the full right to require such performance at any time thereafter. Nor shall the waiver by either party of a breach of any provision hereof be taken or held to be a waiver of the provision itself.

19. **ASSIGNMENT.** The parties recognize that a substantial inducement to CITY for entering into this Agreement is the professional reputation, experience and competence of CONSULTANT. CONSULTANT, therefore, shall not assign, delegate, nor transfer any rights or obligations pursuant to this Agreement, except as specified in this Agreement, without the prior written consent of CITY. Any assignment of any right or obligation or subcontracting of any work without CITY consent shall be void and of no effect.
20. **TAXES.** CONSULTANT agrees to file tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement, and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. CONSULTANT agrees to indemnify and hold CITY harmless from any liability which it may incur to the United States of America or the State of California as a consequence of CONSULTANT's failure to pay, when due, all such taxes and obligations. In the event CITY is audited for compliance regarding withholding or other applicable taxes, CONSULTANT agrees to furnish CITY with proof of payment of taxes on these earnings.
21. **NONDISCRIMINATION.** CONSULTANT shall not discriminate against any person related to the performance under this Agreement (including any employee or applicant) or the basis of race, color, religious creed, national origin, gender, physical or mental disability, marital status, or sexual orientation.
22. **DEFAULT.** In the event CONSULTANT fails to provide the services set forth in this Agreement due to the fault of CONSULTANT, CITY shall have the right to either do the work itself or hire an outside contractor to perform those services.
23. **TIME OF ESSENCE.** Time is of the essence for each and every provision of this Agreement.
24. **CITY'S RIGHT TO EMPLOY OTHER CONSULTANTS.** CITY reserves its right to employ other consultants in connection with this Project or other projects.
25. **VENUE.** In the event that suit shall be brought by either party hereunder, the parties agree that trial of such action shall be held exclusively in a state court in the County of Santa Clara, San Jose, California.
26. **CONSTRUCTION.** To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in the manner that avoids any violation of statute, ordinance, regulation or law.
27. **AMENDMENT.** This Agreement constitutes the complete and exclusive statement of the Agreement to CITY and CONSULTANT. It may be amended or extended from time-to-time by written agreement of the parties hereto.
28. **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 CITY, 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 if it is in writing, signed by the party to be

charged. If there is any conflict in the terms of this Agreement with the exhibits or attachments, then the provisions of this Agreement shall control.

29. **EXECUTION.** This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement it shall not be necessary to produce or account for more than one such counterpart.

30. **IN WITNESS. WHEREOF,** the CITY and CONSULTANT have executed this Agreement as of the date first above written.

**APPROVED AS TO CONTENT:**

\_\_\_\_\_  
Director/Project Manager

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Jolie Houston  
City Attorney

**AGREED:**

\_\_\_\_\_  
Gabriel Engeland  
City Manager

\_\_\_\_\_  
Date

**CONSULTANT:**

\_\_\_\_\_  
XXX  
Title

\_\_\_\_\_  
Date

**EXHIBIT A**  
**SCOPE OF SERVICES**

(To be attached at time of contract execution)

**EXHIBIT B**  
**INSURANCE**

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: **Project Manager, City of Los Altos, 1 N. San Antonio Road, Los Altos, CA 94022**

**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 **\$2,000,000 or \$4,000,000 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 Consultants 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 the CITY indicating that such coverage is subject to the same terms and conditions as the underlying liability policy.
6. The CITY, 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, the CITY 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 the CITY.

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

**Additional Insured Status.** The CITY, 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 contract, the CONSULTANT's insurance coverage shall be primary insurance as respects the CITY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, or volunteers shall be excess of the CONSULTANT's insurance and shall not contribute with it.

**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 the CITY.

**Waiver of Subrogation.** CONSULTANT hereby grants to CITY a waiver of any right to subrogation which any insurer of said CONSULTANT may acquire against the CITY 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 the CITY 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 the CITY. The CITY 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 the CITY.

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

**Verification of Coverage.** CONSULTANT shall furnish the CITY with original certificates and amendatory endorsements effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the CITY 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. The CITY 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.** CITY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.