

**AGREEMENT WITH HF&H CONSULTANTS, LLC  
FOR PROFESSIONAL CONSULTANT SERVICES  
FOR  
SOLID WASTE RATE SETTING**

This Agreement, made and entered into this day of \_\_\_\_\_, by and between the **CITY OF SAN MATEO**, a municipal corporation existing under the laws of the State of California ("CITY"), and HF&H Consultants, LLC, a limited liability company ("CONSULTANT"), whose address is 590 Ygnacio Valley Road, Suite 105, Walnut Creek, CA 94596.

**RECITALS:**

A. CITY desires certain professional consulting services hereinafter described.

B. CITY desires to engage CONSULTANT to provide these professional consulting services by reason of its qualifications and experience for performing such services and CONSULTANT has offered to provide the required services on the terms and in the manner set forth herein.

**NOW, THEREFORE, IT IS AGREED** as follows:

**SECTION 1 - SCOPE OF SERVICES**

The scope of services to be performed by CONSULTANT under this Agreement is as described in Exhibit A to this Agreement, attached and incorporated by reference.

**SECTION 2 - DUTIES OF CONSULTANT**

CONSULTANT shall be responsible for the professional quality, technical accuracy and coordination of all work furnished by CONSULTANT under this Agreement. CONSULTANT shall, without additional compensation, correct or revise any errors or deficiencies in its work.

CONSULTANT represents that it is qualified to furnish the services described under this Agreement.

CONSULTANT shall be responsible for employing or engaging all persons necessary to perform the services of CONSULTANT.

CONSULTANT agrees to comply with the City's minimum wage ordinance as codified in Municipal Code Chapter 5.92, which differs from the state minimum wage and includes a Consumer Price Index escalator.

### **SECTION 3 - DUTIES OF CITY**

CITY shall provide pertinent information regarding its requirements for the project.

CITY shall examine documents submitted by CONSULTANT and shall render decisions pertaining thereto promptly, to avoid unreasonable delay in the progress of CONSULTANT's work.

### **SECTION 4 - TERM**

The services to be performed under this Agreement shall commence on January 1, 2025 and be completed on March 31, 2028, with up to three (3) optional one-year extensions by the CITY.

### **SECTION 5 - PAYMENT**

Payment shall be made by CITY only for services rendered and upon submission of a payment request upon completion and CITY approval of the work performed. In consideration for the full performance of the services set forth in Exhibit A, CITY agrees to pay CONSULTANT a fee in an amount not to exceed \$217,646, pursuant to rates stated in Exhibit B to this Agreement, attached and incorporated by reference. For each one-year extension option exercised by the CITY, the CITY agrees to pay CONSULTANT a fee not to exceed \$64,018, subject to an annual inflationary adjustment capped at 5% based on the change in the CPI-U (San Francisco) published by the Bureau of Labor Statistics. The total amount payable to CONSULTANT under this Agreement shall not exceed \$409,700, as adjusted by the annual inflationary adjustments for 2029-2031, if the extension(s) are exercised.

### **SECTION 6 - TERMINATION**

Without limitation to such rights or remedies as CITY shall otherwise have by law, CITY shall have the right to terminate this Agreement or suspend work on the Project for any reason, upon ten (10) days' written notice to CONSULTANT. CONSULTANT agrees to cease all work under this Agreement upon receipt of said written notice.

Upon termination and upon CITY's payment of the amount required to be paid, documents become the property of CITY, and CONSULTANT shall transfer them to CITY upon request without additional compensation.

### **SECTION 7 - OWNERSHIP OF DOCUMENTS**

All documents prepared by CONSULTANT in the performance of this Agreement, although instruments of professional service, are and shall be the property of CITY, whether the project for which they are made is executed or not.

## **SECTION 8 - CONFIDENTIALITY**

All reports and documents prepared by CONSULTANT in connection with the performance of this Agreement are confidential until released by CITY to the public. CONSULTANT shall not make any such documents or information available to any individual or organization not employed by CONSULTANT or CITY without the written consent of CITY before any such release.

## **SECTION 9 - INTEREST OF CONSULTANT**

CONSULTANT covenants that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the services under this Agreement.

## **SECTION 10 - CONSULTANT'S STATUS**

It is expressly agreed that in the performance of the professional services required under this Agreement, CONSULTANT shall at all times be considered an independent contractor as defined in Labor Code Section 3353, under control of the CITY as to the result of the work but not the means by which the result is accomplished. Nothing herein shall be construed to make CONSULTANT an agent or employee of CITY while providing services under this Agreement.

## **SECTION 11 - INDEMNITY**

CONSULTANT agrees to hold harmless and indemnify CITY, its elected and appointed officials, employees, and agents from and against any and all claims, loss, liability, damage, and expense arising out of CONSULTANT's performance of this Agreement, except those claims arising out of CITY's sole negligence or willful misconduct. CONSULTANT agrees to defend City, its elected and appointed officials, employees, and agents against any such claims. The CONSULTANT'S duty to indemnify shall survive expiration or early termination of this Agreement.

## **SECTION 12 - INSURANCE**

CONSULTANT shall procure and maintain for the duration of the contract and three years thereafter (five years for building or major improvements) the insurance specified in Exhibit C to this Agreement.

## **SECTION 13 - NON-ASSIGNABILITY**

Both parties hereto recognize that this Agreement is for the personal services of CONSULTANT and cannot be transferred, assigned, or subcontracted by CONSULTANT without the prior written consent of CITY.

**SECTION 14 - RELIANCE UPON PROFESSIONAL  
SKILL OF CONSULTANT**

It is mutually understood and agreed by and between the parties hereto that CONSULTANT is skilled in the professional calling necessary to perform the work agreed to be done under this Agreement and that CITY relies upon the skill of CONSULTANT to do and perform the work in the most skillful manner, and CONSULTANT agrees to thus perform the work. The acceptance of CONSULTANT's work by CITY does not operate as a release of CONSULTANT from said obligation.

**SECTION 15 - WAIVERS**

The waiver by either party of any breach or violation of any term, covenant, or condition of this Agreement or of any provisions of any ordinance or law shall not be deemed to be a waiver of such term, covenant, condition, ordinance or law or of any subsequent breach or violation of the same or of any other term, condition, ordinance, or law. The subsequent acceptance by either party of any fee or other money which may become due hereunder shall not be deemed to be a waiver of any preceding breach or violation by the other party of any term, covenant, or condition of this Agreement or of any applicable law or ordinance.

**SECTION 16 - SEVERABILITY**

If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

**SECTION 17 - COSTS AND ATTORNEY FEES**

Attorney fees in total amount not exceeding \$5,000, shall be recoverable as costs (by the filing of a cost bill) by the prevailing party in any action or actions to enforce the provisions of this Agreement. The above \$5,000 limit is the total of attorney fees recoverable whether in the trial court, appellate court, or otherwise, and regardless of the number of attorneys, trials, appeals, or actions. It is the intent of this Agreement that neither party shall have to pay the other more than \$5,000 for attorney fees arising out of an action, or actions to enforce the provisions of this Agreement.

**SECTION 18 - NON-DISCRIMINATION**

CONSULTANT warrants that it is an Equal Opportunity Employer and shall comply with applicable regulations governing equal employment opportunity. Neither CONSULTANT nor any of its subcontractors shall discriminate in the employment of any person because of race, color, national origin, ancestry, physical handicap, medical condition, marital status, sex, or age, unless based upon a bona fide occupational qualification pursuant to the California Fair Employment and Housing Act.

## **SECTION 19 - MEDIATION**

Should any dispute arise out of this Agreement, any party may request that it be submitted to mediation. The parties shall meet in mediation within 30 days of a request. The mediator shall be agreed to by the mediating parties; in the absence of an agreement, the parties shall each submit one name from mediators listed by either the American Arbitration Association, the State Mediation and Conciliation Service, or other agreed-upon service. The mediator shall be selected by a blind draw.

The cost of mediation shall be borne equally by the parties. Neither party shall be deemed the prevailing party. No party shall be permitted to file a legal action without first meeting in mediation and making a good faith attempt to reach a mediated settlement. The mediation process, once commenced by a meeting with the mediator, shall last until agreement is reached by the parties but not more than 60 days, unless the maximum time is extended by the parties.

## **SECTION 20 - LITIGATION**

CONSULTANT shall testify at CITY'S request if litigation is brought against CITY in connection with CONSULTANT's services under this Agreement. Unless the action is brought by CONSULTANT, or is based upon CONSULTANT's wrongdoing, CITY shall compensate CONSULTANT for preparation for testimony, testimony, and travel at CONSULTANT's standard hourly rates at the time of actual testimony.

## **SECTION 21 - NOTICES**

All notices hereunder shall be given in writing and mailed, postage prepaid, addressed as follows:

To CITY: *Jack Johnson  
City of San Mateo  
330 W. 20<sup>th</sup> Street  
San Mateo, CA 94403*

To CONSULTANT: *HF&H Consultants, LLC  
Attn: Rick Simonson  
590 Ygnacio Valley Road, Suite 105  
Walnut Creek, CA 94596*

## **SECTION 22 - AGREEMENT CONTAINS ALL UNDERSTANDINGS; AMENDMENT**

This document represents the entire and integrated agreement between CITY and CONSULTANT and supersedes all prior negotiations, representations, and agreements, either written or oral.

This document may be amended only by written instrument, signed by both CITY and CONSULTANT.

**SECTION 23 - AUTHORITY TO ENTER INTO AGREEMENT**

CONSULTANT has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

**SECTION 24 - GOVERNING LAW AND VENUE**

This Agreement shall be governed by the laws of the State of California and, in the event of litigation, venue will be in the County of San Mateo.

[SIGNATURE PAGE FOLLOWS]



## EXHIBIT A

### SCOPE OF SERVICES

The project will result in the establishment of solid waste rates for calendar years (CY) 2025, 2026, 2027, and 2028.

- Establish a yearly project schedule based on the established compensation and revenue reporting of the SBWMA to support the City in its solid waste ratemaking objectives.
- Create a financial model which accounts for any solid waste service expenses funded by ratemaking, the City's solid waste enterprise reserve balance, rate revenue projections, and the balancing account maintained by Recology for any surpluses or shortfalls occurring between revenues collected from City ratepayers and Recology's annual compensation.
- Develop cost-of-service based rates to be re-visited on an annual basis. Demonstrate that the proposed rates reasonably reflect the cost of providing service and are fair and equitable to all customer classes and are consistent with Proposition 218.
- Review the City's existing solid waste rates and evaluate pros and cons of other approaches, including revising the structure of the City's collection rates charged to multi-family and commercial customers.
- Communicate recommendations based on analysis of alternatives, impacts, and projections for City staff consideration. Incorporate revisions, as necessary.
- Prepare draft memoranda and agenda reports for solid waste rate analysis findings and recommendations. Assist in the preparation of the Proposition 218 notification.
- Virtually attend public meetings and make presentations on the proposed solid waste rates and analysis to provide implementation support for the recommended rates each year.
- Conduct a survey of other applicable regional solid waste rates and summarize findings.
- Provide ongoing consultation on best practices for solid waste rate setting and provide analysis of the impact on proposed state legislation on rates and solid waste programs.

Detailed scope of work involved for each rate setting year follows:

#### 1. Rate Setting Tasks for CY 2025 Rates

##### Task 1.1. Update Model

Analysis performed to update the rate model after December 31, 2024, will be covered by this task. This includes any work to update the revenue requirement, cost-of-service analysis, or proposed rate design. It is anticipated that modifications will be made to the model based on staff feedback prior to any presentation made to the City Council.



### **Task 1.2. Communicate Results**

This task includes presentations to the City Manager's office and presentations to the City Council. Meetings with the City Manager's office may include all of the following personnel: Public Works Director, Deputy Public Works Director, City Finance Director, City Attorney, and City Manager. We expect to produce up to two separate presentations to City staff and up to two separate presentations to City Council. City staff presentations will be conducted by guiding staff through the model and our findings and recommendations.

Presentations to City Council will entail a formal slide show presentation. We understand approval by City staff is required before meetings with City Council.

This task also includes documentation of our analysis. We will issue a Draft Memorandum, a Revised Draft Memorandum, and a Final Memorandum during the study. The Draft Memorandum will be prepared prior to the first presentation to City Council for their authorization to City staff to begin the Proposition 218 process. Upon receiving feedback and direction from the presentation to Council, we will prepare and issue a Revised Draft Memorandum to City staff that includes documentation of the analysis that was conducted and the recommended rate adjustments. The Revised Draft Memorandum will be submitted prior to the Public Hearing. A Final Memorandum will be issued once the Public Hearing takes place. In addition, we will draft the staff agenda reports for each City Council meeting that includes a presentation of the solid waste rates.

Our rate designs are presented so that impacts are easily understood by staff, elected officials, and ratepayers. We compare rate structure alternatives with the current rate structure and with comparable agencies' rate structures. We also compare the customer bills produced by those rate structures. We will prepare a typical bill to show the cost per material stream that a customer subscribes to. We use tabular and graphical techniques to clearly communicate the differences. These techniques allow us to make refinements during meetings to achieve the optimal result. Presentations to City Council will also include a survey of other applicable regional solid waste rates to help the public gauge how their rates compare to their neighbors.

### **Task 1.3. Implementation**

The purpose of this task is to conclude the project with successful implementation of the preferred alternative. We will attend the protest hearing, at the end of the 45-day protest period required by Proposition 218, to answer any questions raised by City staff's presentation. The Public Hearing is assumed to be scheduled for March 2025. HF&H will assist the City with creating the Proposition 218 notice to ratepayers. We recommend the City's legal counsel review the notice for compliance with all rules and regulations, as well.

### **Task 1.4. Post-Implementation Support**

Our proposed scope of work shall result in approval of up to a five-year rate plan with the initial rate adjustment effective April 1, 2025. Subsequently, the City anticipates additional follow-up assistance may be necessary. HF&H staff will be available to assist with post-implementation customer and City staff support of 2025 rates through the end of the Calendar Year (CY).

### **Task 1.5. Engagement Management**

Throughout the project, HF&H staff will meet via teleconference with the City staff on a bi-weekly basis, or less frequently at the City's discretion, from the beginning of January 2025 through the end of April 2025. Meetings beyond this period are captured under the subsequent years included in this scope of work.

## **2. Rate Setting Tasks for CY 2026, CY 2027, and CY 2028 Rates**

The tasks identified for CY 2026, CY 2027, and CY 2028 are included below. Each of the six tasks will be performed in support of assisting the City to set rates for the given year.

### **Task 2.1. Revenue Requirement Projections**

Following the successful implementation of rates for the current calendar year, HF&H will update the five- year financial planning model based on the revenue requirement calculated for setting rates in next calendar year, incorporating the latest operating and capital budgets of the City and Recology, and other financial policies and planning documents that we receive. In addition to City and Recology financial data, HF&H will request customer account information from Recology, and tip fee projections and the upcoming year Recology compensation application from the SBWMA. The resulting annual revenue requirement projections will be compared with the revenue from current rates to forecast the required revenue increases. We will review the City's existing franchise agreement with Recology to ensure all financial aspects of the agreement are addressed in the development of the revenue requirement.

The model will incorporate:

- The impact of projected growth and inflation to expenses, reserves, revenues, and rates.
- The financial impacts of new programs (e.g., the City's purchase of an additional street sweeping vehicle, City-wide organics education, and community composting).
- The allocation of existing revenues, operating expenses, and capital expenses to the solid waste program.
- The use of alternative funding sources (e.g., Refuse Vehicle Street Impact Reimbursement), if desired.
- The maintenance of necessary operating reserves.

Key model components will be included in the analysis. These include but are not limited to:

- Lines of collection services such as recycling, organics, and trash collection.
- Other operations funded through solid waste rates such as street sweeping and solid waste program expenses, the franchise fee, the landfill closure fee, and trash related capital improvement projects.

- Customer subscription data by material stream(s), size of container, and frequency of pick-up.
- Modeling assumptions (assumed growth, assumed disposal tonnages, landfill tip fees, recyclable materials processing fees, annual reserve targets, etc.).
- Recology balancing account projections to assist the City with accounting for any collection shortfalls while maintaining a prudent level of reserves.

The model will allow the City to input the financial data directly from Recology's annual compensation application submitted to the SBWMA and from the City's financial system.

This task also includes any work to update the revenue requirement to address City feedback or updated information. HF&H will perform a quality control check of the model and results during the study.

### **Task 2.2. Cost-of-Service Analysis and Rate Design**

The cost-of-service analysis builds on the first year of the revenue requirement projections for the upcoming ratemaking year. We are particularly mindful of the administrative record that is called for in today's litigious rate-making environment. The City is aware that its rates must be cost based. Court cases in recent years have provided additional guidance.

The cost-of-service analysis will allocate the revenue requirements between the fixed and volumetric charges and among the various customer classes.

HF&H will update the Excel-based spreadsheet, previously developed from the prior year City rate study, to summarize the reported cost and operating data, and allocate costs. The initial step is to determine the cost of service by residential and commercial service sector. The second step will be to determine the cost of service by subscription levels (size of container and frequency of service). We will determine the costs as follows:

- Direct costs will be assigned to the appropriate service category based on a fixed and variable component. Specifically, a methodology to determine the fixed and variable costs will be discussed and agreed to with City staff.
- Indirect costs and overhead costs will be allocated based on parameters to be discussed with City staff such as number of accounts, tons, container capacity, routes, etc.

The results will be compared with the revenue from current charges for each customer class to determine the difference and the transitional strategy that may be needed to align the updated rates with the cost of service without causing rate shock or hardships for any class.

Based on our experience working with the City over the last four years, we anticipate some form of phased, multi-year realignment will be the City's preferred option. However, we will present up to three options for City staff's input prior to presenting to Council: 1) achieving cost-of-service in one

year; 2) achieving cost-of- service in four to five years; and 3) achieving cost-of-service in eight to ten years. Thus, providing a high, medium, and low-level scenario for the City to consider.

This task also includes any work to update cost-of-service analysis or proposed rate design to address City feedback or updated information. HF&H will perform a quality control check of the model and results during the study.

### **Task 2.3. Communicate Results**

The scope of this task for 2026, 2027, and 2028 is the same as the scope specified in Task 1.2.

### **Task 2.4. Implementation**

The scope of this task for 2026, 2027, and 2028 is the same as the scope specified in Task 1.3.

### **Task 2.5. Post-Implementation Support**

Our proposed scope of work shall result in approval of up to a five-year rate plan each calendar year with the initial rate adjustment effective April 1, 2026, followed by a revised five-year rate plan and rate adjustment effective April 1, 2027. A subsequent five-year rate plan and rate adjustment will become effective April 1, 2028. HF&H staff will be available to assist with post-implementation customer and City staff support through the end of the term of the contract.

### **Task 2.6. Engagement Management**

Throughout the project, HF&H staff will meet with the City via teleconference on a bi-weekly basis from April 2025 through the end of March 2028. The meetings will allow us to review the model for the forthcoming rate year, discuss expense projections, answer City staff questions, and obtain feedback.

## EXHIBIT B

### FEE RATES

City of San Mateo 2025-2028 Solid Waste Rate Studies	<u>Simonson</u> Project Director	<u>Sasser</u> Project Manager	Project Analyst	Admin	Total
<b>2025 Rates</b>					
2025 Hourly Rates	\$340	\$265	\$195	\$120	
Task 1.1 - Update Model	2	4	8	0	14
Task 1.2 - Communicate Results	8	28	24	6	66
Task 1.3 - Implementation	2	8	2	0	12
Task 1.4 - Post-Implementation Support	4	8	2	0	14
Task 1.5 - Engagement Management	10	13	0	0	23
Subtotal hours	26	61	36	6	129
Subtotal fees	\$8,840	\$16,165	\$7,020	\$720	\$32,745
<b>2026 Rates</b>					
2026 Hourly Rates	\$354	\$276	\$203	\$125	
Task 2.1 - Revenue Requirement Projections	2	5	12	0	19
Task 2.2 - Cost-of-Service Analysis/Rate Design	8	8	20	0	36
Task 2.3 - Communicate Results	12	32	30	20	94
Task 2.4 - Implementation	4	10	2	0	16
Task 2.5 - Post-Implementation Support	4	8	2	0	14
Task 2.6 - Engagement Management	20	30	0	0	50
Subtotal hours	50	93	66	20	229
Subtotal fees	\$17,700	\$25,668	\$13,398	\$2,500	\$59,266
<b>2027 Rates</b>					
2027 Hourly Rates	\$368	\$287	\$211	\$130	
Task 3.1 - Revenue Requirement Projections	2	5	12	0	19
Task 3.2 - Cost-of-Service Analysis/Rate Design	8	8	20	0	36
Task 3.3 - Communicate Results	12	32	30	20	94
Task 3.4 - Implementation	4	10	2	0	16
Task 3.5 - Post-Implementation Support	4	8	2	0	14
Task 3.6 - Engagement Management	20	30	0	0	50
Subtotal hours	50	93	66	20	229
Subtotal fees	\$18,400	\$26,691	\$13,926	\$2,600	\$61,617
<b>2028 Rates</b>					
2028 Hourly Rates	\$383	\$298	\$219	\$135	
Task 4.1 - Revenue Requirement Projections	2	5	12	0	19
Task 4.2 - Cost-of-Service Analysis/Rate Design	8	8	20	0	36
Task 4.3 - Communicate Results	12	32	30	20	94
Task 4.4 - Implementation	4	10	2	0	16
Task 4.5 - Post-Implementation Support	4	8	2	0	14
Task 4.6 - Engagement Management	20	30	0	0	50
Subtotal hours	50	93	66	20	229
Subtotal fees	\$19,150	\$27,714	\$14,454	\$2,700	\$64,018
<b>Total Hours</b>	<b>176</b>	<b>340</b>	<b>234</b>	<b>66</b>	<b>816</b>
<b>2025-2028 Total Fees</b>	<b>\$64,090</b>	<b>\$96,238</b>	<b>\$48,798</b>	<b>\$8,520</b>	<b>\$217,646</b>
<b>% of Total Hours</b>	<b>22%</b>	<b>42%</b>	<b>29%</b>	<b>8%</b>	<b>100%</b>
<b>Optional Extension</b>					
Annual Extension Total [1]	\$19,150	\$27,714	\$14,454	\$2,700	\$64,018
3 Years (2029, 2030, 2031)	3	3	3	3	
<b>2029-2031 Total Fees</b>	<b>\$57,450</b>	<b>\$83,142</b>	<b>\$43,362</b>	<b>\$8,100</b>	<b>\$192,054</b>
<b>Grand Total</b>					<b>\$409,700</b>

[1] Subject to an annual inflationary adjustment capped at 5% based on the change in the CPI-U (San Francisco) published by the Bureau of Labor Statistics.

## EXHIBIT C

### INSURANCE REQUIREMENTS

#### MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 12 07 covering CGL on an “occurrence” basis, including products-completed operations, personal & advertising injury, with limits no less than **\$2,000,000** 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.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if CONSULTANT has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers’ Compensation:** 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, **\$2,000,000** aggregate

If the CONSULTANT maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the CONSULTANT.

#### Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

#### *Additional Insured Status*

**The City, its elected and appointed officials, employees, and agents are to be covered as insureds** on the auto policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the CONSULTANT; and on the CGL 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. General liability coverage can be provided in the form of an endorsement to the CONSULTANT’s insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used).

#### *Primary Coverage*

For any claims related to this contract, the **CONSULTANT’s insurance coverage shall be primary** insurance as respects the City, its elected and appointed officials, employees, and agents. Any insurance or self-insurance maintained by the City, its elected and appointed officials, employees, or agents shall be excess of the CONSULTANT’s insurance and shall not contribute with it.

***Notice of Cancellation***

Each insurance policy required above shall provide 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 effect 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 purchase coverage with a lower deductible or retention or 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.

***Verification of Coverage***

CONSULTANT shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language 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.