



CASTAIC LAKE WATER AGENCY
STANDARD CONTRACT RISK TRANSFER PROVISIONS,
GENERAL CONDITIONS and REQUIRED INSURANCE
for

PROFESSIONAL SERVICES and NON-CONSTRUCTION CONTRACTS

Typical CLWA services that would use Professional Services Contracts: engineers, attorneys, accountants, planners, design professionals and other consultants

Typical CLWA services that would use Small Contracts without Construction Work: Landscape, painting, heating & air conditioning, pest control and janitorial services

1. RISK TRANSFER PROVISIONS

- 1.1. **Workers' Compensation Insurance** - By his/her signature hereunder, Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing the performance of the work of this Agreement.
- 1.2. **Indemnification** - Consultant shall indemnify and hold harmless and defend Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers and each of them from and against:
 - 1.2.1. When the law establishes a professional standard of care for Consultant's services, liabilities and losses arising out of the performance non-performance of the services under this Agreement, but only to the extent caused by the Consultant's intentional or negligent acts, errors or omissions committed. Consultant shall defend itself against any and all liabilities, claims, losses, damages, and costs arising out of or alleged to arise out of Consultant's negligent performance or non-performance of the services hereunder, and shall not tender such claims to Castaic Lake Water Agency nor to its directors, officers, employees, or authorized volunteers, for defense or indemnity.
 - 1.2.2. Other than in the performance of professional services, all claims and demands arising out of the negligent performance or non-performance by the Consultant or Consultant's employees for damages to persons or property of the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers.
 - 1.2.3. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the intentional or negligent violation of any governmental law or regulation, compliance with which is the responsibility of Consultant.

- 1.2.4. Any and all losses, expenses, damages (including damages to the work itself), attorneys' fees, and other costs, including all costs of defense, including but not only costs of counsel acceptable to the Castaic Lake Water Agency, which any of them may incur with respect to the failure, neglect, or refusal of Consultant to perform its operations and that result in bodily injury or property damage. Such costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.
- 1.2.5. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings that may be brought or instituted against Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers.
- 1.2.6. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers, in any and all such aforesaid suits, actions, or other legal proceedings if arising as provided in the previous subsections of the Section.
- 1.2.7. Consultant shall reimburse Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith.
- 1.2.8. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Castaic Lake Water Agency or its directors, officers, employees, or authorized volunteers.

Notwithstanding the foregoing, Consultant shall not at any time be responsible for any claims, liabilities, or demands arising from CLWA's misconduct or negligence.

2. GENERAL CONDITIONS

- 2.1. **Laws, Regulations and Permits** - The Consultant shall give all notices required by law and comply with all laws, ordinances, rules, and regulations pertaining to the conduct of the work. The Consultant shall be liable for all violations of the law in connection with work furnished by the Consultant. If the Consultant performs any work knowing it to be contrary to such laws, ordinances, rules and regulations, the Consultant shall bear all costs arising therefrom.
- 2.2. **Safety** - The Consultant shall execute and maintain his/her work so as to avoid injury or damage to any person or property.

In carrying out his/her work, the Consultant shall at all times exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all applicable federal, state and local statutory and regulatory requirements including State of California, Department of Industrial Relations (Cal/OSHA) regulations, and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act. Safety precautions, as applicable, shall include but shall not be limited to: adequate life protection and life saving equipment; adequate illumination; instructions in accident prevention for all employees, such as the use of machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and

shoring, fall protection, and other safety devices; equipment and wearing apparel as are necessary or lawfully required to prevent accidents, injuries, or illnesses; and adequate facilities for the proper inspection and maintenance of all safety measures.

3. REQUIRED INSURANCE

3.1. **Liability Insurance** - The Consultant shall provide and maintain at all times during the performance of the work under this Agreement, the following commercial general liability, professional liability and automobile liability insurance:

3.2. **Coverage** - Coverage shall be at least as broad as the following:

3.2.1. Coverage for Professional Liability appropriate to the Consultant's profession covering Consultant's wrongful acts, negligent actions, errors or omissions. The retroactive date (if any) is to be no later than the effective date of this Agreement.

3.2.2. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001)

3.2.3. Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (non-owned, and hired automobiles)

3.3. **Limits** - The Consultant shall maintain limits no less than the following:

3.3.1. Professional Liability – Two million dollars (\$2,000,000) per claim and annual aggregate.

3.3.2. General Liability – Two million dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to the Castaic Lake Water Agency) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.

3.3.3. Automobile Liability – One million dollars (\$1,000,000) for bodily injury and property damage each accident limit.

3.4. **Required Provisions** - The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

3.4.1. The Castaic Lake Water Agency, its directors, officers, employees, and authorized volunteers are to be given insured status (via ISO endorsement CG 2010, CG 2033, or insurer's equivalent for general liability coverage) as respects: liability arising out of activities performed by or on behalf of the Consultant; and premises owned, occupied or used by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers.

- 3.4.2. For any claims related to this project, the Consultant's insurance shall be primary insurance as respects the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers. Any insurance, self-insurance, or other coverage maintained by the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers shall not contribute to it.
- 3.4.3. Any failure to comply with the reporting or other provisions of the policies including breaches and warranties shall not affect coverage provided to the Castaic Lake Water Agency, its directors, officers, employees, or authorized volunteers.
- 3.4.4. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- 3.4.5. Such liability insurance shall indemnify the Consultant and his/her sub-consultants against loss from liability imposed by law upon, or assumed under contract by, the Consultant or his/her sub-consultants for damages on account of such bodily injury (including death), property damage, personal injury, completed operations, and products liability.
- 3.4.6. The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, blanket contractual liability, completed operations liability, explosion, collapse, underground excavation and removal of lateral support.
- 3.4.7. The automobile liability policy shall cover all owned, non-owned, and hired automobiles.
- 3.4.8. Each insurance policy required by this Agreement shall state, or be endorsed to state, that coverage shall not be canceled by the insurance carrier or the Consultant, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to the Castaic Lake Water Agency.
- 3.4.9. All of the insurance shall be provided on policy forms and through companies satisfactory to the Castaic Lake Water Agency.
- 3.5. **Workers' Compensation and Employer's Liability Insurance** - The Consultant and all sub-consultants shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their employees employed directly by them or through sub-consultants in carrying out the work contemplated under this contract, all in accordance with the "Workers' Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any Acts amendatory thereof. The Consultant shall provide employer's liability insurance with limits of no less than \$1,000,000 each accident, \$1,000,000 disease policy limit, and \$1,000,000 disease each employee.
- 3.6. **Deductibles and Self-Insured Retentions** - Any deductible or self-insured retention must be declared to and approved by the Castaic Lake Water Agency. At the option of the Castaic Lake Water Agency, the insurer shall either reduce or eliminate such deductibles or self-insured retentions.

- 3.7. **Acceptability of Insurers** - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A:VII or equivalent or as otherwise approved by the Castaic Lake Water Agency.
- 3.8. **Evidences of Insurance** - Prior to execution of the Agreement, the Consultant shall file with the Castaic Lake Water Agency a certificate of insurance (Acord Form 25-S or equivalent) signed by the insurer's representative evidencing the coverage required by this Agreement. Such evidence shall include an additional insured endorsement signed by the insurer's representative. Such evidence shall also include confirmation that coverage includes or has been modified to include Required Provisions 6.4.1 through 6.4.9.

The Consultant shall, upon demand of the Castaic Lake Water Agency, deliver to the Castaic Lake Water Agency such policy or policies of insurance and the receipts for payment of premiums thereon.

- 3.9. **Continuation of Coverage** - If any of the required coverages expire during the term of this Agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to the Castaic Lake Water Agency at least ten (10) days prior to the expiration date.
- 3.10. **Sub-Consultants** - In the event that the Consultant employs other consultants (sub-consultants) as part of the services covered by this Agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.