

**MOORPARK CITY COUNCIL  
AGENDA REPORT**

**TO:** Honorable City Council

**FROM:** Dave Klotzle, City Engineer/Public Works Director 

**DATE:** March 22, 2013 (CC Meeting of 04/03/13)

**SUBJECT:** Consider Agreement with Calleguas Municipal Water District for Modifications to Las Posas Feeder Unit 1 and Las Posas Feeder No. 3 for the Widening of Los Angeles Avenue Between Maureen Lane and Leta Yancy Road (Project 8058)

**BACKGROUND**

The vacant property on the south side of Los Angeles Avenue between Maureen Lane and Leta Yancy Road was to be developed by Pacific Communities Builders as part of Tract 5053. That development would have included improvements to Los Angeles Avenue to widen the highway to its ultimate width and provide three through travel lanes in each direction. The developer's plans to construct this project have been deferred indefinitely.

In July of 2003 the City Council considered a report which discussed ways and means for the City to undertake construction of this project in advance of the development of Tract 5053. Later, in June of 2004, the City Council adopted Resolution No. 2004-2203 amending the budget to provide \$200,000 of funding from the Los Angeles Avenue Area of Contribution Fund (Fund 2501), for initial design efforts. Subsequent updates to the Capital Improvement Budget included appropriations from Fund 2501 for project design, construction and inspection.

On February 21, 2007, the City Council awarded a consultant agreement to KOA Corporation (KOA) to complete the design of the project. KOA has completed the design and an encroachment permit has been issued by the California Department of Transportation (Caltrans) for construction of the project. On September 19, 2012, the City Council authorized the City Manager to award a consultant agreement for construction management, inspection and material testing services to KOA Corporation. That agreement has been executed and KOA will be providing these services for the completion of the project.

On January 16, 2013 the City Council approved the project and authorized staff to advertize for construction bids.

## DISCUSSION

### A. Project Description

The project includes widening the south side of Los Angeles Avenue and restriping to provide three through lanes in each direction and a center lane for left turns. A traffic signal warrant analysis at Shasta Avenue has shown that a signal is not warranted at this time and therefore is not included in this project. If the property on the south side of Los Angeles Avenue is developed, another traffic signal warrant analysis could be conducted to determine if a signal is needed at that time.

The project also includes the construction of a protective concrete cap over the existing 36-inch Calleguas Municipal Water District (Calleguas) Las Posas Feeder Unit 1 (LPF-1) pipeline. Several Calleguas LPF-1 and Las Posas Feeder No. 3 valves and manholes also must be adjusted or relocated to the south beyond the widened roadway. The City must enter into an agreement with Calleguas to perform the required protection and adjustment work and provide an easement to Calleguas over their facilities. The agreement has been prepared and final wording is being coordinated with Calleguas.

Pacific Communities Builders has conveyed the right-of-way required for this project to the City. At the conclusion of the project, the right-of-way will be transferred to Caltrans. It's intended that the ultimate developer of the Pacific Communities Builders property will reimburse the LA AOC for the cost of these improvements as part of an amended or new development agreement.

### B. Project Schedule

The staff report to City Council for project approval and authorization to bid on January 16, 2013 included the anticipated project schedule with construction beginning in April 2013 and project completion in August 2013. The agreement with Calleguas must be executed prior to advertising for construction bids; therefore the revised anticipated schedule is as follows:

Advertise for Bids	May 1, 2013
Bid Opening	June 4, 2013
Award of Construction Contract	June 19, 2013
Notice to Proceed	July 29, 2013
Project Completion	November 29, 2013

**FISCAL IMPACT**

The FY 2012/13 Capital Improvement Budget includes funding for the project as shown below.

<u>Fund 2501</u>	<u>FY 2012/13 Budget</u>
Design	\$ 116,124.00
Construction	\$ 900,000.00
Construction Management, Inspection & Testing	\$ 100,000.00
Total	\$ 1,116,124.00

A future budget amendment to appropriate additional funds for construction may be needed at the time that City Council awards the construction contract, depending on the actual construction bid amount.

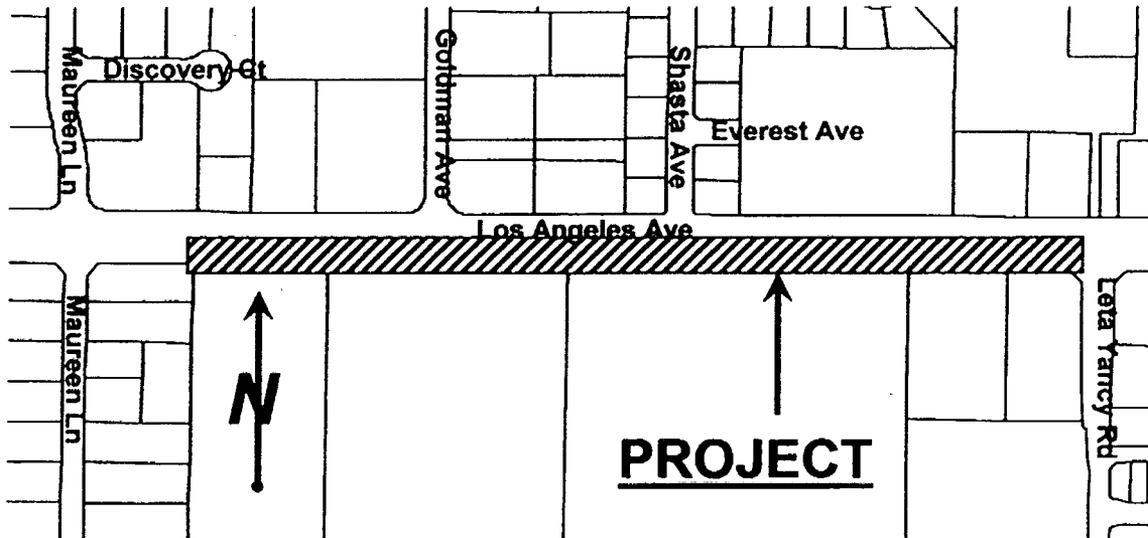
**STAFF RECOMMENDATION**

Authorize the City Manager to execute an agreement with Calleguas Municipal Water District for Modifications to Las Posas Feeder Unit 1 and Las Posas Feeder No. 3 for the Widening of Los Angeles Avenue Between Maureen Lane and Leta Yancy Road (Project 8058) subject to final language approval by the City Manager and City Attorney.

Attachments:

1. Location Map
2. Draft Agreement

**Los Angeles Avenue Widening Between  
Maureen Lane and Leta Yancy Road  
(Project 8058)**



**Location Map**

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**AGREEMENT BY AND BETWEEN CALLEGUAS MUNICIPAL WATER DISTRICT AND CITY OF MOORPARK REGARDING MODIFICATIONS TO LAS POSAS FEEDER UNIT 1 AND LAS POSAS FEEDER NO. 3 DUE TO THE LOS ANGELES AVE. WIDENING PROJECT**

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Whereas, the City of Moorpark (the “City”) is widening Los Angeles Avenue in the vicinity of Maureen Lane to Leta Yancy Road (the “Project”) in the City of Moorpark, California; and

Whereas, the Calleguas Municipal Water District (the “District”) owns and operates a 36-inch diameter concrete cylinder pipeline, Las Posas Feeder Unit 1 (LPF-1), a pipeline for transporting water for municipal supply, which runs east to west along Los Angeles Avenue through the City, and the District holds permanent easements of record for said LPF-1 (the “Easements”); and

Whereas, the District owns and operates a 72-inch diameter welded steel pipeline, Las Posas Feeder No. 3 (LPF-3), a pipeline for transporting water for municipal supply, which runs east to west along Los Angeles Avenue through the City, and LPF-3 is located within the public right-of-way; and

Whereas, LPF-1 and LPF-3 include air vacuum and air release valves (the “AVARVs”) and small diameter lateral pipelines (the “AVARV Laterals”) that connect both LPF-1 and LPF-3 to the AVARVs, and portions of the AVARV Laterals exist within the Easements; and

Whereas, because the Project will reduce the amount of earth cover over LPF-1 below the District’s minimum 3.5 feet from Pipeline Sta 184+37 to 180+57, the District requires the City to construct a reinforced concrete cap at said location to protect LPF-1 (the “Concrete Cap”); and

Whereas, because the Project will reduce the amount of earth cover over the AVARV Laterals below the District’s minimum 3.5 feet at one location for LPF-1, Pipeline Sta 177+40, and at two locations for LPF-3, Pipeline Sta 129+30 and Sta 131+12, the District requires the City to construct cement slurry encasements at said locations to protect the AVARV Laterals (the “Slurry Encasements”); and

Whereas, the Concrete Cap and Slurry Encasements are collectively referred to as the (“Protective Improvements”); and

Whereas, because the Project will introduce surface conflicts with a 1” LPF-1 AVARV and its aboveground enclosure located within the Easements at Pipeline Sta 177+40, the District will need to relocate this LPF-1 AVARV and its aboveground enclosure, and the District requires the City to provide a new permanent easement or easements to the District to accommodate this AVARV relocation (“Relocation of LPF-1

AVARV”), to stake the required location in the field, and to reimburse the District for the cost of this relocation; and

Whereas, because the Project will introduce surface conflicts with an 8” LPF-3 AVARV and its aboveground enclosure located within the public right of way at Pipeline Sta 129+30, the District will need to relocate this LPF-3 AVARV and its aboveground enclosure, and the District requires the City to stake the required location in the field to facilitate this AVARV relocation by the District (“Relocation of LPF-3 AVARV”); and

Whereas, because the Project will introduce surface conflicts with existing appurtenances, including a cathodic test station on LPF-3 and a blow off manhole on LPF-3, modifications will be necessary to the surface features of these appurtenances (“LPF-3 Surface Feature Modifications”).

NOW, THEREFORE, in consideration of the covenants and agreements set forth herein, and for other valuable consideration received, the parties agree as follows:

**1. Protective Improvements and Other Work To Be Constructed By the City.** Upon the City’s commencement of the Project, or any portion thereof, the City shall promptly and diligently commence and complete construction of the Protective Improvements. Prior to the City’s completion of the Project, or any portion thereof, the City shall (a) diligently construct or cause the adjustment of all necessary District manholes and valve covers to grade within the Easements, and (b) diligently complete all LPF-3 Surface Feature Modifications required by the District.

**2. Calleguas to Perform Relocation of LPF-1 AVARV and Relocation of LPF-3 AVARV.** Upon the City’s commencement of the Project, or any portion thereof, the City shall promptly perform construction staking for the Relocation of LPF-1 AVARV and for the Relocation of LPF-3 AVARV. Once construction staking has been performed to the District’s satisfaction, the District will commence and complete the Relocation of LPF-1 AVARV and the Relocation of LPF-3 AVARV within 30 calendar days; subject to any delays caused by weather or other circumstance beyond the reasonable control of the District.

**3. Costs.**

- a. The City agrees to pay all costs and expenses associated with securing the required Easement for the Relocation of LPF-1 AVARV, all costs and expenses of the Relocation of LPF-1 AVARV, and all costs and expenses relating to the construction of the Protective Improvements. Such costs and expenses include, without limitation:
  - 1) all costs of design, engineering, right-of-way, and construction;
  - 2) all of the District’s costs and fees in connection with the Protective Improvements and the Relocation of LPF-1 AVARV, including, but

not limited to: legal fees for preparation and implementation of this Agreement, engineering fees associated with review of the project plans, engineering fees associated with review of submittals and other construction correspondence including providing written responses for the City's consideration, inspection costs incurred prior to and during construction of the Protective Improvements and Relocation of LPF-1 AVARV (including but not limited to costs of the District's DRI defined below) and all fully-burdened staff costs for project management and administration; and

- 3) all permits, fees, licenses, assessments and taxes as may be required by the ordinances and regulations of public agencies having jurisdiction over the areas in which the Protective Improvements and Relocation of LPF-1 AVARV, are located.
- b. For costs described in Paragraph 3.a.2., the District shall provide an estimate for these costs to the City prior to the execution of this Agreement. Within two weeks of execution of this Agreement, the City shall tender to the District a deposit equal to this estimated amount.
- c. The District shall be responsible for all costs associated with the Relocation of LPF-3 AVARV.

**4. Final Accounting.** Upon completion of construction of the Project, the District will make a final accounting of all costs incurred with respect to the Protective Improvements and Relocation of LPF-1 AVARV. If the total costs incurred are less than the deposit provided by City, the District will reimburse City for the difference within 60 calendar days. If the total costs incurred exceed the deposit provided by City, City shall, within 60 calendar days of the District's delivery to the City of a request for reimbursement and documentation substantiating the costs, reimburse the District all costs incurred by the District in excess of the deposit.

**5. Easement for Relocation of LPF-1 AVARV.** Prior to the City's commencement of the Project, or any portion thereof, the City shall promptly secure from the appropriate persons, entities and/or agencies the grant of a new permanent easement (or easements) to the District with rights at least equivalent to the existing Easements to accommodate the Relocation of LPF-1 AVARV at Pipeline Sta 177+40, and all other consents, if any, that are required for such Relocation.

**6. Experience of Contractors and Subcontractors.** Any contractors and/or subcontractors performing work on the Protective Improvements shall have a California Contractor's Class A license and shall meet the experience requirements contained within the City's Project specifications including Addenda.

7. **Pre-construction Meeting.** A pre-construction meeting shall be held, at a time and location mutually agreed to by the District and the City, prior to the start of construction of the Protective Improvements.

8. **District Inspector.** All materials furnished and all work done under this Agreement shall be subject to inspection by the District's Resident Inspector ("DRI"). At all times during performance of the work, the City shall ensure that its contractors and subcontractors shall fully cooperate with the DRI's requests for access to the work and project documents to allow the DRI to inspect the work to his or her satisfaction. The City agrees to give verbal notice to the District at least forty-eight (48) hours in advance of performing any work on the Protective Improvements when such work is to be performed on any weekday during regular construction work hours (7 a.m. to 4 p.m.). If any work on the Protective Improvements is to be performed between 4 p.m. and 7 a.m. on any weekday or is to be performed at any time on the weekend, the City shall provide the District with written notice at least one week in advance of performing such work. The notices required hereunder are collectively referred to in this Agreement as the "Construction Notice".

Work done without the proper Construction Notice may be required by the District to be removed and replaced under the proper inspection. The entire cost of removal and replacement shall be borne by the City.

9. **Operation of Portion of LPF-1 and LPF-3.** The City acknowledges and agrees that the District needs to and shall continue to operate and maintain both the LPF-1 and LPF-3 during the City's construction of the Project. At no time during construction of the Project shall the City be permitted to stop or impact the performance of LPF-1, LPF-3, or any appurtenant facilities, including without limitation their respective AVARV or AVARV Laterals. The City warrants that the construction of the Project shall not interfere with the District's ability to operate and maintain the aforementioned facilities in the same manner and capacity as prior to commencement of the construction.

If, in the sole reasonable opinion of the District and the District's engineer, there is any significant risk to the integrity of the aforementioned facilities or their ability to deliver potable water due to the City's actions or lack thereof, the District may take any and all necessary action, at the City's sole expense, to protect the pipelines and appurtenant facilities. Without limiting the foregoing, and at the City's sole cost and expense, the District may require the City to cease construction activity from time to time if reasonably necessary to protect the aforementioned facilities and/or their operation. The City agrees on behalf of itself and its contractors, subcontractors, and their respective agents and affiliates, that the District shall not be liable in any manner for any damages, losses, liabilities, costs or expenses of any kind resulting from any such suspension or cessation of construction of the Project.

**10. Indemnification.** The City shall defend, indemnify, and hold harmless the District, its engineers, and their respective directors, officers, employees, consultants, and agents from and against any and all liability, loss, damage, claims, demands, expenses, costs (including without limitation reasonable attorneys' and experts' fees and costs in connection with litigation) of any kind or nature (including without limitation personal injury, death, or property damage), arising out of or related to (a) the City's breach of any representation or warranty under this Agreement, or its failure to comply with any covenant or obligation under this Agreement, (b) the City and/or its contractors or subcontractors violation of any law, rule, or regulation applicable to the work to be performed by the City pursuant to this Agreement, and/or (c) the construction of the Protective Improvements and/or any other work to be performed by the City or its contractor(s) or subcontractor(s) or anyone directly or indirectly employed by them, pursuant to this Agreement, except to the extent caused by the active negligence or willful misconduct of the District.

**11. Insurance.** Prior to commencement of the Project, the City shall provide to the District evidence that each contractor and subcontractor performing work for the City as provided in this Agreement maintains insurance coverage and additional insured endorsements as required pursuant to Exhibit "A" attached hereto .

**12. Inspection, Completion and Acceptance.** The DRI shall have the right to reject any or all of the work to be performed under this Agreement if the work does not conform with the District's requirements, or the laws, rules or regulations of the District or any governmental entity with jurisdiction thereof or is not in accordance with the terms of this Agreement (which determination shall be in the discretion of District, which shall not be unreasonably withheld).

Upon completion of all of the Protective Improvements, the City shall notify the District. Within fifteen (15) calendar days following delivery of this notice, the District shall either (i) provide a written letter of acceptance; or (ii) provide written notice to the City of specific corrections deemed reasonably necessary by the District. The City shall promptly and diligently complete all required corrections and notify the District when completed, and the District shall promptly inspect the corrections. This process shall be repeated, at the City's sole cost and expense, until approval by District at which time the District shall promptly issue a written letter of acceptance.

**13. Warranty.** For the one-year period following filing of the Notice of Completion, the City and its general contractor expressly warrant that (a) all construction work has been performed in a good and workmanlike manner and is free of defects; (b) the materials used to construct the Protective Improvements and any other construction work to be performed by City pursuant to this Agreement, and any equipment installed in connection therewith, are new and of good quality; and (c) all work on the Protective Improvements, the LPF-3 Surface Feature Modifications, and any other work to be performed by City pursuant to this Agreement was completed in accordance with all applicable permits, licenses, local laws, ordinances, statutes, rules,

regulations, and approvals pertinent to the construction of the same, including, without limitation, applicable environmental and zoning requirements.

**14. Ownership of Protective Improvements.** Upon filing of the Notice of Completion, title to the Protective Improvements shall vest in and become the property of the District. City further agrees that all LPF-3 Surface Feature Modifications and any manholes, valve covers, or other District surface features adjusted to grade by the City or its contractors or subcontractors pursuant to this Agreement are and remain the property of the District.

**15. Compliance with Law.** The City shall comply, and cause its contractor(s) and subcontractor(s) to comply, with all federal, state, and local statutes, laws, ordinances, rules, regulations, and orders (including safety orders) applicable to the work to be done, and shall provide safe access for the DRI to all parts of the Protective Improvements and to any areas where the work is in progress.

**16. Entire Agreement.** This Agreement constitutes and contains the entire agreement and understanding concerning construction of the Protective Improvements and the other work associated with LPF-1 and LPF-3 between the District, on the one part, and the City on the other part, and supersedes and replaces all prior negotiations, proposed agreements, or agreements, written or oral, pertaining to the same.

**17. No Inducement.** Each party acknowledges to the other that no one (including, without limitation, any party, or any agent or attorney of any party) has made any promise, representation, or warranty whatsoever, expressed or implied, written or oral, not contained herein concerning the subject matter hereof to induce it to execute this Agreement, and each party acknowledges that it has not executed this Agreement in reliance on any promise, representation, or warranty not contained herein.

**18. Partial Invalidity.** If any term, covenant, condition or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions herein shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby.

**19. Modification Only in Writing.** No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the City and the District. No oral understanding or agreement not incorporated herein shall be binding on any of the parties.

**20. Termination.** The District may terminate the Agreement for cause if the City or its Contractor fails to timely perform any of its obligations under this Agreement or otherwise commits a material breach of the Agreement.

**21. Incorporation of Recitals.** The foregoing recitals are incorporated herein as though fully set forth.

**22. Representation by Counsel.** Each party acknowledges that it has been represented by independent legal counsel of its own choice throughout all of the negotiations which preceded the execution of this Agreement and that it has executed this Agreement with the consent and on the advice of such independent legal counsel. Each party further acknowledges that it and its counsel have had adequate opportunity to make whatever investigation or inquiry they may deem necessary or desirable in connection with the subject matter of this Agreement prior to the execution hereof and the delivery and acceptance of the consideration specified herein.

**23. Joint Drafting.** This Agreement has been jointly negotiated and drafted. The language of this Agreement shall be construed as a whole according to its fair meaning and not strictly for or against any party.

**24. California Law.** This Agreement shall in all respects be interpreted, enforced and governed by and under the laws of the State of California applicable to instruments, persons, and transactions, which have legal contact and relationships solely within the State of California. Should any litigation be filed concerning this Agreement, such litigation shall be filed and heard in a court of competent jurisdiction for the County of Ventura.

- 25. Interpretation.** Whenever in this Agreement the context so requires:
- a. "And" shall include "or" and vice versa;
  - b. The neuter gender shall be deemed to refer to and include the masculine and the feminine gender; and
  - c. The singular shall be deemed to refer to and include the plural.

**26. Notices.** All notices or requests shall be delivered by either party to the other by depositing the same in the United States mail with postage prepaid for delivery to the addresses stated below:

If to the District:      General Manager  
                                 Calleguas Municipal Water District  
                                 2100 Olsen Road  
                                 Thousand Oaks, CA 91360-6800

If to the City:            City Manager  
                                 City of Moorpark  
                                 799 Moorpark Avenue  
                                 Moorpark, CA 93021

27. **No Waiver.** No failure or delay by the District in asserting its rights or remedies hereunder as to any default shall operate as a waiver of the default, of any subsequent or other default, or any rights or remedies. No such delay shall deprive the District of its right to institute and maintain any action or proceeding which may be necessary to protect, assert, or enforce any rights or remedies arising out of this Agreement or the performance thereof.

28. **Counterparts.** This Agreement may be executed in counterparts and such counterparts shall constitute one agreement, binding on all the parties hereto.

29. **Authority.** Each person executing this Agreement warrants and represents to the other party that it has the authority to execute this Agreement, that it has read and fully understands this Agreement, and that it is entering into this Agreement freely and voluntarily.

30. **Further Documents.** Each party hereto agrees to cooperate fully and to carry out the spirit and intent of this Agreement, and shall execute and deliver such additional documents, instruments and other materials as may be reasonably requested by the other party.

31. **Headings.** Paragraph headings in this Agreement are for reference purposes only and shall not be considered in interpreting this Agreement.

32. **Authorized Signatory.** The undersigned warrant that they are authorized to sign this Agreement.

33. **Attorneys' Fees.** If any Party brings an action to enforce the terms hereof or to declare rights hereunder, the prevailing Party in any such action, on trial and appeal, shall be entitled to its reasonable attorneys' fees and all other reasonable costs and expenses incurred in connection with such action to be paid by the losing Party as fixed by the Court. In addition to the foregoing, the prevailing Party in any lawsuit shall be entitled to its attorneys' fees and costs incurred in any post judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the, merger of this Agreement into any judgment on this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year written below.

**CALLEGUAS MUNICIPAL WATER DISTRICT**

By: \_\_\_\_\_  
Susan B. Mulligan, General Manager

Dated: \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Douglas E. Kulper, District Counsel

Dated: \_\_\_\_\_

**CITY OF MOORPARK**

By: \_\_\_\_\_  
Steven Kueny, City Manager

Dated: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
Maureen Benson, City Clerk

Dated: \_\_\_\_\_

EXHIBIT A  
INSURANCE REQUIREMENTS FOR CONTRACTOR AND SUBCONTRACTOR

I. Workers' Compensation and Employer's Liability Insurance

1. At all times during the entire period of performance under the Contract, including throughout the warranty period(s) required under the Contract, the Contractor and all Subcontractors shall maintain workers' compensation and employer's liability insurance covering all persons employed directly by them or through subcontractors in carrying out the Work, all in accordance with California law. The commercial umbrella and/or employer's liability limits shall not be less than one million dollars (\$1,000,000) each accident for bodily injury by accident or one million (\$1,000,000) each employee for bodily injury by disease.
2. Contractor waives all rights against Calleguas and its directors, officers, employees, agents and/or volunteers for recovery of damages to the extent these damages are covered by the workers' compensation and employer's liability or commercial umbrella liability insurance obtained by Contractor pursuant to the Contract. Contractor shall obtain an endorsement equivalent to WC 00 03 13 to effect this waiver.

II. Liability Insurance

The Contractor shall, at its sole cost and expense, obtain and maintain at all times during the entire period of performance under the Contract, including the warranty period, the liability insurance as outlined in this Section.

1. Commercial General Liability (CGL) and Umbrella Liability Insurance.
  - a. Contractor shall maintain commercial general liability (CGL) with a limit of not less than Ten Million Dollars (\$10,000,000) each occurrence. CGL may be supplemented with commercial umbrella insurance to attain the required limit. If such CGL insurance contains a general aggregate limit, it shall apply separately to this project by including ISO Designated Construction Project(s) General Aggregate Limit endorsement CG 25 03 or a substitute providing equivalent coverage.
  - b. The Additional Insureds shall include Calleguas, its directors, officers, employees, agents, and/or volunteers. The Additional Insureds shall be included as an insured under the CGL, using ISO additional insured endorsements CG 20 10 and CG 20 37 or their equivalents. ISO endorsement CG 20 37 shall include coverage for the Additional Insureds with respect to liability arising out of the completed operations of Contractor. Additional insured coverage as required in this subparagraph shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to the Additional Insureds. There shall be no endorsement or modification of the CGL to make it excess over other available insurance; alternatively, if the CGL states that it is excess or pro rata, the policy shall be endorsed to be primary with respect to the Additional Insureds. Any insurance, self-insurance, or other coverage, if any, maintained by the

Additional Insureds shall be non-contributory. Umbrella Liability insurance shall provide additional insured coverage as required for the CGL Insurance.

2. Continuing Completed Operations Liability Insurance.
  - a. Contractor shall maintain CGL and, if necessary, commercial umbrella liability insurance with a limit of not less than Ten Million Dollars (\$10,000,000) each occurrence for at least two (2) years following the issuance of the Statement of Acceptance. Continuing CGL insurance shall be written on ISO occurrence form CG 00 01 12 07 (or a substitute form providing equivalent coverage) and shall, at a minimum, cover liability arising from products-completed operations and liability assumed under an insured contract. Continuing CGL insurance shall have a products- completed operations aggregate of at least two times its each occurrence limit. Continuing commercial umbrella coverage, if any, shall include liability coverage for damage to the insured's completed work equivalent to that provided under ISO form CG 00 01 12 07.
3. Business Auto and Umbrella Liability Insurance.
  - a. Contractor shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit of not less than Five Million Dollars (\$5,000,000) each accident. Such insurance shall cover liability arising out of any auto (including owned, hired, and non-owned autos) used by Contractor. If Contractor owns no vehicles, this requirement may be satisfied by a hired auto and non-owned auto endorsement to the CGL policy. The policy shall not possess any endorsements that in any manner whatsoever restrict coverage as it pertains to the Additional Insureds.
  - b. Contractor waives all rights, if any, against Calleguas, its directors, officers, employees, agents, and/or volunteers for recovery of damages to the extent such damages are covered by the business auto liability or commercial umbrella liability insurance obtained by Contractor pursuant to this Contract or under any applicable auto physical damage coverage.

### III. Additional Requirements

With respect to the insurance required to be maintained by the Contractor, the Contractor shall comply, or ensure compliance, with each of the following:

1. The Contractor must provide Calleguas with a certificate or certificate(s) of insurance (ACORD Form 25 or its equivalent) and such other evidence satisfactory to Calleguas establishing that coverage required by this Contract is in force.
2. The Contractor shall notify Calleguas at least thirty (30) Calendar Days prior to cancellation of any of the insurance policies required hereunder.
3. All of the insurance shall be provided on policy forms satisfactory to Calleguas.
4. Contractor shall provide certified copies of all insurance policies required above within ten (10) Calendar Days of written request by Calleguas.
5. By requiring insurance herein, Calleguas does not represent that coverage and limits will necessarily be adequate to protect Contractor and such coverage and limits shall

not be deemed as a limitation on Contractor's liability.