

**AGREEMENT FOR SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
R3 CONSULTING GROUP, INC.**

**PREAMBLE**

This Agreement is entered into as of the City's execution date (Effective Date) between the City of Santa Clara, California, a chartered California municipal corporation (City) and R3 Consulting Group, Inc., a California corporation (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

**RECITALS**

- A. City desires to secure the services more fully described in this Agreement, at Exhibit A, entitled "Scope of Services";
- B. Contractor represents that it, and its subcontractors, if any, have the professional qualifications, expertise, necessary licenses and desire to provide certain goods and/or required services of the quality and type which meet objectives and requirements of City; and,
- C. The Parties have specified herein the terms and conditions under which such services will be provided and paid for.

The Parties agree as follows:

**AGREEMENT TERMS AND CONDITIONS**

**1. AGREEMENT DOCUMENTS**

The documents forming the entire Agreement between City and Contractor shall consist of these Terms and Conditions and the following Exhibits, which are hereby incorporated into this Agreement by this reference:

Exhibit A – Scope of Services

Exhibit B – Schedule of Fees

Exhibit C – Insurance Requirements

This Agreement, including the Exhibits set forth above, contains all the agreements, representations and understandings of the Parties, and supersedes and replaces any previous agreements, representations and understandings,

whether oral or written. In the event of any inconsistency between the provisions of any of the Exhibits and the Terms and Conditions, the Terms and Conditions shall govern and control.

## **2. TERM OF AGREEMENT**

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on the Effective Date and terminate on June 30, 2027. The City reserves the right, at its own sole discretion, to extend the term of this Agreement for up two (2) additional one-year options through June 30, 2029.

## **3. SCOPE OF SERVICES & PERFORMANCE SCHEDULE**

Contractor shall perform those Services specified in Exhibit A within the time stated in Exhibit A. Time is of the essence.

## **4. WARRANTY**

Contractor expressly warrants that all materials and services covered by this Agreement shall be fit for the purpose intended, shall be free from defect and shall conform to the specifications, requirements and instructions upon which this Agreement is based. Contractor agrees to promptly replace or correct any incomplete, inaccurate or defective Services at no further cost to City when defects are due to the negligence, errors or omissions of Contractor. If Contractor fails to promptly correct or replace materials or services, City may make corrections or replace materials or services and charge Contractor for the cost incurred by City.

## **5. QUALIFICATIONS OF CONTRACTOR - STANDARD OF CARE**

Contractor represents and maintains that it has the expertise in the professional calling necessary to perform the Services, and its duties and obligations, expressed and implied, contained herein, and City expressly relies upon Contractor's representations regarding its skills and knowledge. Contractor shall perform such Services and duties in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California.

## **6. COMPENSATION AND PAYMENT**

In consideration for Contractor's complete performance of Services, City shall pay Contractor for all materials provided and Services rendered by Contractor in accordance with Exhibit B, entitled "SCHEDULE OF FEES." The maximum compensation of this Agreement is set forth in Section 1 of Exhibit B, subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials and equipment required to perform the Services. All work performed or materials provided in excess of the

maximum compensation shall be at Contractor's expense. Contractor shall not be entitled to any payment above the maximum compensation under any circumstance.

## **7. TERMINATION**

- A. Termination for Convenience. City shall have the right to terminate this Agreement, without cause or penalty, by giving not less than Thirty (30) days' prior written notice to Contractor.
- B. Termination for Default. If Contractor fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, City may terminate this Agreement immediately upon written notice to Contractor.
- C. Upon termination, each Party shall assist the other in arranging an orderly transfer and close-out of services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Contractor will deliver to City all City information or material that Contractor has in its possession.

## **8. ASSIGNMENT AND SUBCONTRACTING**

City and Contractor bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written approval of City. Contractor shall not hire subcontractors without express written permission from City.

Contractor shall be as fully responsible to City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Contractor is for the acts and omissions of persons directly employed by it.

## **9. NO THIRD PARTY BENEFICIARY**

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

## **10. INDEPENDENT CONTRACTOR**

Contractor and all person(s) employed by or contracted with Contractor to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) or employee(s) of City. Contractor has full rights to manage its employees in their performance of Services under this Agreement.

## **11. CONFIDENTIALITY OF MATERIAL**

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for Contractor and all other written information submitted to Contractor in connection with the performance of this Agreement shall be held confidential by Contractor and shall not, without the prior written consent of City, be used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Contractor which is otherwise known to Contractor or becomes generally known to the related industry shall be deemed confidential.

## **12. OWNERSHIP OF MATERIAL**

All material, which shall include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports, designs, technology, programming, works of authorship and other material developed, collected, prepared or caused to be prepared under this Agreement shall be the property of City but Contractor may retain and use copies thereof. City shall not be limited in any way or at any time in its use of said material. However, Contractor shall not be responsible for damages resulting from the use of said material for work other than Project, including, but not limited to, the release of this material to third parties.

## **13. RIGHT OF CITY TO INSPECT RECORDS OF CONTRACTOR**

City, through its authorized employees, representatives or agents shall have the right during the term of this Agreement and for four (4) years from the date of final payment for goods or services provided under this Agreement, to audit the books and records of Contractor for the purpose of verifying any and all charges made by Contractor in connection with Contractor compensation under this Agreement, including termination of Contractor. Contractor agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges submitted to City. Any expenses not so recorded shall be disallowed by City. Contractor shall bear the cost of the audit if the audit determines that there has been a substantial billing deviation in excess of five (5) percent adverse to the City.

Contractor shall submit to City any and all reports concerning its performance under this Agreement that may be requested by City in writing. Contractor agrees to assist City in meeting City's reporting requirements to the State and other agencies with respect to Contractor's Services hereunder.

## **14. HOLD HARMLESS/INDEMNIFICATION**

- A. To the extent permitted by law, Contractor agrees to protect, defend, hold harmless and indemnify City, its City Council, commissions, officers, employees, volunteers and agents from and against any claim, injury,

liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action, and whether sounding in law, contract, tort, or equity, in any manner arising from, or alleged to arise in whole or in part from, or in any way connected with the Services performed by Contractor pursuant to this Agreement – including claims of any kind by Contractor's employees or persons contracting with Contractor to perform any portion of the Scope of Services – and shall expressly include passive or active negligence by City connected with the Services. However, the obligation to indemnify shall not apply if such liability is ultimately adjudicated to have arisen through the sole active negligence or sole willful misconduct of City; the obligation to defend is not similarly limited.

- B. Contractor's obligation to protect, defend, indemnify, and hold harmless in full City and City's employees, shall specifically extend to any and all employment-related claims of any type brought by employees, contractors, subcontractors or other agents of Contractor, against City (either alone, or jointly with Contractor), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.
- C. To the extent Contractor is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Contractor warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Contractor's responsibilities under the Act.

## **15. INSURANCE REQUIREMENTS**

During the term of this Agreement, and for any time period set forth in Exhibit C, Contractor shall provide and maintain in full force and effect, at no cost to City, insurance policies as set forth in Exhibit C.

## **16. WAIVER**

Contractor agrees that waiver by City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement. Neither City's review, acceptance nor payments for any of the Services required under this Agreement shall be constructed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

## 17. NOTICES

All notices to the Parties shall, unless otherwise requested in writing, be sent to City addressed as follows:

City of Santa Clara  
Attention: Department of Public Works  
1500 Warburton Avenue  
Santa Clara, CA 95050  
and by e-mail at [cmobeck@santaclaraca.gov](mailto:cmobeck@santaclaraca.gov)

And to Contractor addressed as follows:

R3 Consulting Group, Inc.  
1512 Eureka Road, Suite 220  
Roseville, CA 95661  
and by e-mail at [gschultz@r3cqi.com](mailto:gschultz@r3cqi.com)

The workday the e-mail was sent shall control the date notice was deemed given. An e-mail transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following business day.

## 18. COMPLIANCE WITH LAWS

Contractor shall comply with all applicable laws and regulations of the federal, state and local government, including but not limited to “The Code of the City of Santa Clara, California” (“SCCC”). In particular, Contractor’s attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20), Business Tax Certificate (SCCC section 3.40.060), and Food and Beverage Service Worker Retention (SCCC Chapter 9.60), as such Chapters or Sections may be amended from time to time or renumbered. Additionally Contractor has read and agrees to comply with City’s Ethical Standards (<http://santaclaraca.gov/home/showdocument?id=58299>).

## 19. CONFLICTS OF INTEREST

Contractor certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Contractor and that no person associated with Contractor has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Contractor is familiar with the provisions of California Government Code section 87100 and

following, and certifies that it does not know of any facts which would violate these code provisions. Contractor will advise City if a conflict arises.

**20. FAIR EMPLOYMENT**

Contractor shall not discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state or local law.

**21. NO USE OF CITY NAME OR EMBLEM**

Contractor shall not use City's name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, newspaper or other medium without express written consent of City.

**22. GOVERNING LAW AND VENUE**

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

**23. SEVERABILITY CLAUSE**

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

**24. AMENDMENTS**

This Agreement may only be modified by a written amendment duly authorized and executed by the Parties to this Agreement.

**25. COUNTERPARTS**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives.

**CITY OF SANTA CLARA, CALIFORNIA**  
a chartered California municipal corporation

Approved as to Form: \_\_\_\_\_

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

\_\_\_\_\_  
Office of the City Attorney  
City of Santa Clara

\_\_\_\_\_  
Office of the City Manager  
1500 Warburton Avenue  
Santa Clara, CA 95050  
Telephone: (408) 615-2210  
Fax: (408) 241-6771

“CITY”

**R3 CONSULTING GROUP, INC.**  
a California corporation

Dated: February 28, 2022

By (Signature): 

Name: Garth Schultz

Title: Principal

Principal Place of 1512 Eureka Road, Suite 220

Business Address: Roseville, CA 95661

Email Address: gschultz@r3cgi.com

Telephone: (510) 292-0853

Fax: ( )

“CONTRACTOR”



## **EXHIBIT A SCOPE OF SERVICES**

### **1. INTRODUCTION**

- 1.1. Contractor shall provide solid waste consulting services as set forth herein.
- 1.2. To the extent not inconsistent with this Agreement between the City and Contractor including this Scope of Services, the City's SOQ DPW-64 (including subsequent updates), and Contractor's proposal response dated February 11, 2022 are hereby incorporated by reference herein, and shall supplement this Scope of Services and be subject to the terms and conditions of the Agreement.

### **2. TASKS AND DELIVERABLES**

Contractor shall provide the following services:

#### **2.1. Task 1. Annual Auditing of Non-Exclusive Franchise Hauler Franchise Fee Payments and Compliance with Bundled Service Requirements**

- 2.1.1. Annually (October 1 of each year) consolidate and review quarterly reports (four (4) reports per year) from each of the eleven (11) active NEF haulers for completeness and compliance with NEF hauler agreement provisions, as well as for mathematical accuracy. Based on the quarterly reports and collected supporting documentation from NEF haulers, the Contractor will recalculate franchise fee payments, and report any discrepancies. Annual auditing shall also include verification that haulers are providing bundled services consisting of garbage, organics and recycling services to all customers with at least two (2) cubic yards of weekly service. Contractor shall provide field verification of the at least 10% of each hauler's customers to complete this portion of the audit (see Table I).

#### **2.2. Task 2. Annual Non-Exclusive Franchise Hauler Route Reviews**

- 2.2.1. SB 1383, Section 18984.5 requires route reviews or waste evaluations be conducted to as part of the inspection process to check for compliance. The City believes route reviews may be more cost-effective given the number of haulers and accounts that need to be reviewed in the NEF area (see Table I). Contractor shall develop a methodology and conduct the route reviews in accordance with all SB 1383 requirements.

Only four (4) of the eleven (11) NEF haulers provide weekly services for businesses located in parcels zoned for industrial use and are thus subject to SB 1383, Section 1894.5. The remaining seven (7) only provide construction and demolition services which are not subject to the required route reviews.

**Table I: NEF Hauler Routes and Customers**

<b>NEF Hauler</b>	<b>Number of Routes</b>	<b>Number of Customers</b>
Mission Trail Waste Systems	7	686
Republic Services	4	297
GW Debris Services	3	38
Recology	3	110

*Table I Note: This is a current count of routes and number of customers (12/2021). The number of customers may vary or change over time and routes may be revised.*

**2.3. Task 3. Assistance with FY 2023/24 – FY 2026/27 Annual Rate Setting**

**2.3.1.** Calculate and prepare annual rate recommendations for garbage, yard trimmings, residential recycling, household hazardous waste collection, disposal and processing, the Cleanup Campaign, street sweeping, landfill post-closure maintenance, and compliance with several State Laws, including Senate Bill 1383 (SB 1383). Rate recommendations shall be proposed in a manner that meets all Proposition 218 notification requirements and aligns with the City’s timeline for rate setting.

Rate recommendations will include an evaluation of contractually obligated compensation adjustments, collection and disposal costs, the solid waste fund budget and associated program costs, and any other rate impacts, including changes required by State regulations under SB 1383, dramatic changes in the marketplace for commodities, adjustments for cost-of-living increases and any other new programs and services.

**2.4. Task 4. Annual Santa Clara County-wide Rate Matrix for FY 2022/23 – FY 2026/27**

**2.4.1.** Develop a jurisdictional comparison matrix for monthly bundled single-family residential cart service rates in Santa Clara County and compare to City current rates and proposed rates. The matrix must include whether the jurisdictions anticipate rate increases in the upcoming fiscal year. The final comparison matrix must be submitted by March 15 of each year.

**2.4.2.** Develop a jurisdictional comparison matrix for monthly garbage bin service rates in Santa Clara County and compare to City’s current rates and proposed rates. The matrix must include whether the jurisdictions anticipate rate increases in the upcoming fiscal year and whether they have a separate charge for organics collection services or if it is bundled. The final comparison matrix must be submitted by March 15 of each year.

**2.5. Task 5. Residue Audits at Green Waste Recovery, Inc. (GWR) and Z-Best Composting Facility**

**2.5.1.** Conduct two (2) residual audits annually that reflect seasonal changes (March or April and July or August) at GWR (sorting and processing of MSW material) and Z-Best (processing of the same materials to recover any additional residual from organics material).

For each audit, observe forty (40) tons each of residential and commercial MSW and verify that the reported data is accurate and reasonable, and that processes and procedures are conducted in a manner consistent with the *GreenWaste Recovery, Inc. Solid Waste Auditing Protocol & Residue Allocation Methodology* (confidential document to be provided as a reference to the Contractor following contract execution). Provide findings in a report of observations with disposal allocations and data evaluations.

**2.6. Task 6. Assistance Securing Disposal and Composting Services Beginning January 1, 2025.**

- 2.6.1.** Evaluate whether the City should move forward with the GWR proposed disposal services or if the City should include disposal of residue from GWR's mixed waste processing and composting operations in a request for proposals for the services. The evaluation must include a report outlining the methods used to assess the options and provide recommendations based on findings. Even if the City chooses to take advantage of the option to have GWR pay for disposal, the City will still need a disposal services agreement to dispose of refuse collected during the annual Cleanup Campaign and municipal maintenance operations.
- 2.6.2.** Prepare a Request for Proposals (RFP) for disposal services beginning January 1, 2025 if it is recommended in the evaluation. The RFP must meet state requirements and industry standards for the services.
- 2.6.3.** Prepare a RFP for composting services beginning January 1, 2025. The RFP must meet state requirements and industry standards for the services.

**2.7. Task 7. Rate Study for FY 2025/26 Solid Waste Rates**

- 2.7.1.** Prepare a solid waste rate study for funding the City's solid waste program at cost recovery. The rate study must fully analyze cost breakdowns and how they are distributed to the various subscription options the public has to choose from and include the following evaluation categories: garbage rate component, residential yard trimmings rate component, residential recycling rate component, and cleanup campaign rate component. Each rate component will be comprised the costs of collection, plus the cost of disposal/processing/composting, plus program cost elements. A cost allocation study must be conducted to establish the program cost for each rate component. The final report must include analyses on bundled solid waste rates charged to customers, alignment with previous estimates, rate stabilization fund, comparison with rates from other jurisdictions in Santa Clara County, rate assistance program, and any next steps or recommendations.

**3. ADDITIONAL SERVICES/TASKS**

Other services, not specifically set forth above and when authorized in writing by the City, shall be at additional cost. Contractor shall be compensated for by a fee mutually agreed upon between the City and Contractor, or on a time-and-materials basis in accordance with Contractor's hourly rates set forth in Exhibit B.

**EXHIBIT B  
SCHEDULE OF FEES**

**1. MAXIMUM COMPENSATION**

The maximum compensation the City will pay Contractor for all professional fees, costs and expenses provided under this Agreement shall not exceed **Seven Hundred Fifty-Four Thousand Nine Hundred Fifteen Dollars (\$754,915)**, subject to annual appropriation of funds. Any additional professional fees, costs and expenses requested by the City that would exceed the preceding maximum amount will be addressed in an Amendment to the Agreement.

**2. FEE SCHEDULE**

The all-inclusive fee schedule set forth herein is to complete Tasks 1 through 7.

Table 1 below details the costs by task and in total by year, with the costs for Tasks 1 through 5 being annual costs, and the costs for Tasks 6 and 7 being one-time costs.

Table 2 details staffing assignments and hours by tasks, and lists the estimated reimbursable expenses (applicable to Tasks 2 and 5 only). Values shown in Tables 1 and 2 comprise Contractor's not-to-exceed estimates for completion of all tasks; actual billings may be lower than shown.

**Table 1**

TASK		FY 21/22 COST	FY 22/23 COST	FY 23/24 COST	FY 24/25 COST	FY 25/26 COST	FY 26/27 COST	TOTAL COST
1	Annual NEF Compliance Audits	N/A	\$20,575	\$21,190	\$21,830	\$22,480	\$23,150	\$109,225
2	Annual NEF* Route Reviews	N/A	\$18,925	\$19,490	\$20,070	\$20,670	\$21,290	\$100,445
3	Annual Rate Setting Calculations	N/A	\$14,250	\$14,680	\$15,120	\$15,570	\$16,040	\$75,660
4	Annual County-wide RateMatrix	\$6,725	\$6,930	\$7,140	\$7,350	\$7,570	\$7,800	\$43,515
5	Annual Residual Audit #1	\$19,650	\$20,240	\$20,850	\$21,480	\$22,120	\$22,780	\$127,120
	Annual Residual Audit #2	N/A	\$19,650	\$20,240	\$20,850	\$21,480	\$22,120	\$104,340
6	Disposal and Composting Contracting Evaluation	N/A	\$19,110	N/A	N/A	N/A	N/A	\$19,110
	Optional Disposal RFP	N/A	N/A	\$63,625	N/A	N/A	N/A	\$63,625
	Composting RFP	N/A	N/A	\$63,625	N/A	N/A	N/A	\$63,625
7	FY 2025/26 Rate Study	N/A	N/A	N/A	\$48,250	N/A	N/A	\$48,250
<b>Total</b>		<b>\$26,375</b>	<b>\$119,680</b>	<b>\$230,840</b>	<b>\$154,950</b>	<b>\$109,890</b>	<b>\$113,180</b>	<b>\$754,915</b>

\*Task 2 assumes four (4) days of route auditing for contamination, for approximately 10% of containers on route being audited.

**Table 2**

TASK		STAFF MEMBER & 2022 HOURLY RATE							Annual Hours	Total Hours	Reimbursable Expenses
		Garth Schultz, \$285	Scott Hanin, \$285	Ryan Calkins, \$200	Claire Wilson, \$190	Jordan Muratsuchi, \$190	Nikhil Tagore-Erwin, \$170	Sarah Koplowicz, \$155			
1	Annual NEF Compliance Audits	5	-	-	60	-	-	50	115	575	-
2	Annual NEF Route Reviews	5	-	-	50	-	-	50	105	525	\$ 250
3	Annual Rate Setting Calculations	50	-	-	-	-	-	-	50	250	-
4	Annual County-wide Rate Matrix	10	-	-	-	-	-	25	35	175	-
5	Annual Residual Audit #1	10	-	40	-	-	40	-	90	450	\$ 2,000
	Annual Residual Audit #2	10	-	40	-	-	40	-	90	450	\$ 2,000
6	Disposal and Composting Contracting Evaluation	20	45	-	-	-	-	-	N/A	65	-
	Optional Disposal RFP	50	75	50	75	-	-	-	N/A	250	-
	Composting RFP	50	75	50	75	-	-	-	N/A	250	-
7	FY 2025/26 Rate Study	75	-	-	-	75	50	-	N/A	200	-
<b>Total</b>		<b>285</b>	<b>195</b>	<b>180</b>	<b>260</b>	<b>75</b>	<b>130</b>	<b>125</b>	<b>485</b>	<b>3190</b>	<b>\$ 4,250</b>

### 3. ADDITIONAL SERVICES/TASKS

In the event additional services are required by the City, Contractor shall prepare a statement of work based on the City's requirements, propose a fee based on the rates set forth in Table 3 and obtain written approval from the City prior to commencing work.

The hourly rates below will be adjusted by 3% (and rounded to the nearest whole dollar) annually, on January 1, during the term of the Agreement.

**Table 3**

<b>Classification</b>	<b>2022 Hourly Rates</b>
Principal	\$ 285
Senior Project Director	\$ 285
Project Director	\$ 240
Senior Project Manager	\$ 220
Project Manager	\$ 200
Senior Project Analyst	\$ 190
Senior Administrative Support	\$ 170
Project Analyst	\$ 170
Associate Analyst	\$ 155
Administrative Support	\$ 125
<b>Reimbursable Costs</b>	
Consultants/Subcontractors	Cost plus 10%
Lodging and meals	Direct cost
Travel — <i>Private or company car</i>	At Current Federal Rate
Travel — <i>Other</i>	Direct cost
Delivery and other expenses	Direct cost

### 4. INVOICING

Unless otherwise agreed in writing, Contractor will bill monthly for work completed at the first of each month for the preceding month. City will pay Contractor within thirty (30) days of City's receipt of an approved invoice.

**EXHIBIT C**  
**INSURANCE REQUIREMENTS**

Without limiting the Contractor's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Contractor shall provide and maintain in full force and effect during the period of performance of the Agreement and for twenty-four (24) months following acceptance by the City, at its sole cost and expense, the following insurance policies from insurance companies authorized to do business in the State of California. These policies shall be primary insurance as to the City of Santa Clara so that any other coverage held by the City shall not contribute to any loss under Contractor's insurance. The minimum coverages, provisions and endorsements are as follows:

**A. COMMERCIAL GENERAL LIABILITY INSURANCE**

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:
  - \$1,000,000 Each Occurrence
  - \$2,000,000 General Aggregate
  - \$2,000,000 Products/Completed Operations Aggregate
  - \$1,000,000 Personal Injury
2. Exact structure and layering of the coverage shall be left to the discretion of Contractor; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.
3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Contractor to comply with the insurance requirements of this Agreement:
  - a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;
  - b. There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and
  - c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

## **B. BUSINESS AUTOMOBILE LIABILITY INSURANCE**

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars (\$1,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned (if any), non-owned and hired autos.

In the event that the Work being performed under this Agreement involves transporting of hazardous or regulated substances, hazardous or regulated wastes and/or hazardous or regulated materials, Contractor and/or its subcontractors involved in such activities shall provide coverage with a limit of one million dollars (\$1,000,000) per accident covering transportation of such materials by the addition to the Business Auto Coverage Policy of Environmental Impairment Endorsement MCS90 or Insurance Services Office endorsement form CA 99 48, which amends the pollution exclusion in the standard Business Automobile Policy to cover pollutants that are in or upon, being transported or towed by, being loaded onto, or being unloaded from a covered auto.

## **C. WORKERS' COMPENSATION**

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars (\$1,000,000) policy limit Bodily Injury by disease, one million dollars (\$1,000,000) each accident/Bodily Injury and one million dollars (\$1,000,000) each employee Bodily Injury by disease.
2. The indemnification and hold harmless obligations of Contractor included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Contractor or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).
3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

## **D. PROFESSIONAL LIABILITY**

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against negligent acts, errors or omissions of the Contractor. Covered services as designated in the policy must specifically include work performed under this agreement. Coverage shall be in an amount of not less than one million dollars (\$1,000,000) per claim or two million dollars (\$2,000,000) aggregate. Any coverage containing a deductible or self-retention must first be approved in writing by the City Attorney's Office.



## E. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Contractor's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85, or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.
2. Primary and non-contributing. Each insurance policy provided by Contractor shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Contractor's insurance.
3. Cancellation.
  - a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.
  - b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.
4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through E of this Exhibit C, above.

## **F. ADDITIONAL INSURANCE RELATED PROVISIONS**

Contractor and City agree as follows:

1. Contractor agrees to ensure that subcontractors, and any other party involved with the Services, who is brought onto or involved in the performance of the Services by Contractor, provide the same minimum insurance coverage required of Contractor, except as with respect to limits. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Contractor agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.
2. Contractor agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Contractor for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.
3. The City reserves the right to withhold payments from the Contractor in the event of material noncompliance with the insurance requirements set forth in this Agreement.

## **G. EVIDENCE OF COVERAGE**

Prior to commencement of any Services under this Agreement, Contractor, and each and every subcontractor (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Contractor shall file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

## **H. EVIDENCE OF COMPLIANCE**

Contractor or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Contractor shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications

and other items required to be delivered to City pursuant to this Agreement shall be provided by email to: [ctsantaclara@ebix.com](mailto:ctsantaclara@ebix.com).

Or by mail to:

EBIX Inc.  
City of Santa Clara – Public Works Department  
P.O. Box 100085 – S2  
Duluth, GA 30096  
Telephone number: 951-766-2280  
Fax number: 770-325-0409

## **I. QUALIFYING INSURERS**

All of the insurance companies providing insurance for Contractor shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives.