CONSENT AGENDA

AGENDA ITEM 12.03
TO: Mayor and City Council
FROM: Laurie Montes, Deputy City Manager

SUBJECT: **MOTION AUTHORIZING A CONTRACT WITH WILLIAM AVERY & ASSOCIATES, INC. TO PROVIDE RECRUITMENT SERVICES**

**RECOMMENDATION**

It is recommended that by motion action the City Council adopt findings and authorize a contract with William Avery & Associates, Inc. to provide recruitment services for the positions of Deputy Director of Wastewater and Fire Chief. The contract amount is not to exceed $37,800.

**Summary**

A recent vacancy in the position of Deputy Director of Wastewater creates an immediate need to initiate the recruitment process in order to provide management resources for critical initiatives of the City. In addition, the City Manager is prepared at this time to move forward with the recruitment of a permanent Fire Chief and an opportunity exists for cost and process efficiencies by including the two positions in the same recruitment services contract. The City Manager recommends a contract with William Avery & Associates, Inc. to provide recruitment services for these positions.

**DISCUSSION**

**Background**

William Avery & Associates, Inc. (Avery) is an executive search and labor relations consulting firm which has served both the public and non-profit sectors for over 25 years. In 2011, the City of Stockton contracted with Avery to provide professional services for the recruitment of several City executives. The firm staffed the City of Stockton recruitments with executive level support, remained flexible through changing circumstances and provided outstanding service delivery and high quality work product. In addition, the City Council approved a contract on March 27, 2012 with Avery for the recruitment of the Chief Financial Officer and Deputy Director of Wastewater.

Following the approval of that contract, the retirement of Deputy City Manager Mike Locke was announced. This position is extremely critical to the overall management of the City during these difficult times. He has been an important
part of our AB 506 process and in addressing the City Council Goal of Increasing Economic Development. He is key for a number of priority initiatives currently underway including the Downtown Revitalization Plan and the Management Review of the Community Development Department. This position is also critical for a number of initiatives that will begin in the coming year such as a review of the General Plan and a Regional Economic Development Plan. Mike Locke has brought stability and developed structure during this time of transition for the departments within his responsibility, three of which have newly appointed or vacant Department Director positions. Continuity in this high level position is absolutely crucial. For these reasons as well as the fact that a quality recruitment for this level of position can take up to six months, the City Manager executed administrative authority within the March 27 contract with Avery to prioritize the Deputy City Manager recruitment in the place of the Deputy Director of Wastewater. As a result, the need remains for recruitment services for the Deputy Director of Wastewater. Avery also remains uniquely familiar with the Deputy Director of Wastewater recruitment as well as City of Stockton staff, expectations and requirements and their recruitment lead, Paul Kimura, is available to quickly move forward with the recruitments of the Deputy Director of Wastewater and Fire Chief.

Present Situation

The City is in need of recruitment services for the Deputy Director of Wastewater and Fire Chief. The position of Deputy Director of Wastewater recently became vacant. The Deputy Director of Wastewater position will be instrumental in moving forward the City Council adopted Strategic Initiative for the development of the Regional Wastewater Control Facility Capital Improvement & Energy Management Plan. This executive level position is also important during a period of transition in leadership in the Municipal Utilities Department in order to maintain management capacity and establish continuity and leadership as soon as possible.

In the case of the Fire Chief, the position has been vacant since spring of 2011. At that time it was determined that an Interim Fire Chief was immediately necessary in order to provide a departmental assessment, leadership and expertise for the Department as it transitioned to a new personnel deployment plan, addressed significant management turnover, and aligned its procedures with best practices and standards. In addition, the Fire Department was responsible for addressing the lack of emergency planning in the City and addressing a number of outstanding audit findings and other adjustments recommended by management. Dave Rudat, through a consulting contract, has brought outstanding leadership and professionalism in assisting the Stockton Fire Department through this transition and in accomplishing the projects and goals
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mentioned above. At this time, the City Manager is prepared to fill the position of Fire Chief on a permanent basis in order to establish continuity in leadership and continue the transition of the Stockton Fire Department. In addition to supporting the recent changes in the Fire Department, the permanent Fire Chief is critical to moving forward with two City Council adopted Strategic Initiatives related to increasing the public safety of the City.

Given the immediate need to initiate the recruitment process for the Deputy Director of Wastewater, the appropriate timing for recruitment of a permanent Fire Chief and the cost and process efficiencies available by recruiting for these positions jointly, City staff requested that Avery and Associates provide a proposal for providing these services.

The cost of services for this contract is equal to the rates for the services provided by Avery in 2011 and March of 2012 and is also comparable with the rates of recruitment services provided by other firms. The costs for these services will not exceed $37,800 as outlined in Exhibit A to the attached contract (Attachment A).

The services of a professional recruitment firm are so important in this and prior recruitments because they provide experience and expertise unique to executive level recruitments. As a result of turnover and vacancies in the Human Resources Department, particularly at the management level, staff resources are extremely limited for conducting the in depth and time intensive planning, solicitation, analysis of candidates, and selection process for executive recruitments. Avery will develop a position profile and organizational assessment in order to identify the type of candidate that will be the most appropriate fit with the City of Stockton. They will also develop a comprehensive search strategy with high visibility as well as a focused and targeted recruitment approach that leverages the significant connections and knowledge of professionals in the field that their lead Paul Kimura offers. Some of the executive level positions filled in the City of Stockton by Avery have been individuals that were not actively seeking a new position, but were approached because they were recognized as having a strategic fit with the City of Stockton. Avery has been able to do this because they maintain a list of qualified employees and candidate profiles. They are able to approach people that have the right fit for Stockton. City Human Resources does not have this resource.

In addition, Avery will conduct an assessment of candidates in a process that involves several tiers of evaluation and screening through a methodology that is based on behavioral interview techniques. The final candidates are then presented through a comprehensive packet compiled by Avery which includes their candidate assessments. Avery will also facilitate the final interview and
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selection process and will be available to provide comparative analysis to assist in developing and negotiating compensation with the successful candidates. And finally, the services of Avery are very valuable because of their commitment to the long term progress of the successful candidates. They will monitor the transition and progress of the executives that they place, interview the City and the individual within the first three to six months after hire, and replace any candidate who may voluntarily resign during the first two years of his/her employment.

Findings

Stockton Municipal Code Section 3.68.070 provides an exception to the competitive bidding process in cases where the City Council has approved findings that support and justify the purchase.

The following findings support the exception as follows:

- There is an immediate need to recruit to fill the vacant positions of the Deputy Director of Wastewater and Fire Chief.

- The leadership and management capacity of these positions are critical resources for moving forward with priority initiatives of the City.

- William Avery & Associates provides expertise and resources not available through City of Stockton staff, including proprietary candidate assessment methodology and reporting tools.

- There would be a significant delay in having these two critical positions filled if the City were to engage in a Request for Proposals (RFP) process.

- William Avery & Associates has recently completed executive level recruitments for the City and is familiar with the City of Stockton's requirements.

- The proposed fees are reasonable and comparable to the costs for similar executive recruitments.
FINANCIAL SUMMARY

Sufficient funds are available in the following accounts for the recruitment of the Fire Chief:

010-2610-530  $18,900.00

Sufficient funds are available in the following account for the recruitment of the Deputy Director of Wastewater:

431-4331-574  $18,900.00

Respectfully submitted,

[Signature]

LAURIE MONTES
DEPUTY CITY MANAGER

LM:cc

Attachment A – Professional Services Agreement with William Avery & Associates
CITY OF STOCKTON
PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is by and between the City of Stockton, a municipal corporation (hereinafter "City") and William Avery & Associates, Inc. (hereinafter "Contractor"). City and Contractor may be collectively referred to as the "Parties."

In consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

1. EFFECTIVE DATE AND TERM

This Agreement shall commence on the date that the Agreement is fully executed by the Parties, and shall remain and continue in effect until terminated pursuant to the provisions of this Agreement.

2. SERVICES

Contractor shall perform for the City services ("Services") set forth in the Scope of Work, attached hereto and incorporated herein as "Exhibit A."

3. COMPENSATION

The City of Stockton agrees to pay Contractor for said services in the amounts and at the times and manner as set forth "Exhibit "A" in an amount not exceed $37,800.

4. CITY MANAGEMENT

The City's Manager shall represent City in all matters pertaining to the administration of this Agreement and shall be authorized to act on the City's behalf.

5. CHANGES

This Agreement, including but not limited to the scope of Services and Price, may be amended in whole or part only by an agreement in writing signed by both City and Contractor.

6. SUSPENSION OR TERMINATION OF AGREEMENT

Either party shall have the right to terminate this Contract at any time upon giving the other party written notice of its intention to terminate twenty (20) days prior to the effective date of said termination. Upon termination, Consultant shall turn over to the City all documents, records, plans, and instruments of services produced by Consultant in connection with its performance of services pursuant to this Contract. City shall pay
ATTACHMENT A

Consultant for all services satisfactorily performed pursuant to this Contract up to the
date of termination.

7. DEFAULT OF CONSULTANT

The Contractor's failure to comply with the provisions of this Agreement shall
constitute a default. In the event that Contractor is in default for cause under the terms
of this Agreement, City can terminate this Agreement immediately by written notice to
the Contractor.

8. INDEMNIFICATION

(a) Insurance shall be provided as set forth in "Exhibit B."

(b) To the fullest extent permitted by law, Contractor shall indemnify, protect,
defend and hold harmless City and any and all of its officials, employees and agents
from and against any and all losses, liabilities, damages, costs and expenses, including
attorney's fees and costs which arise out of, pertain to, or relate to the gross negligence,
recklessness, or willful misconduct of the Contractor.

(c) City shall indemnify, protect, defend and hold harmless Contractor from
and against any and all losses, liabilities, damages, costs and expenses, including but
not limited to attorney's fees and costs which arise out of Contractor's performance of
this Agreement within the scope of his duties as a consultant providing an updated
strategy and pathway for moving the City leadership team toward the City Council's
aggressive list of goals.

9. INDEPENDENT CONTRACTOR

(a) Contractor is, and shall at all times remain, as to the City, a wholly
independent contractor. Neither City nor any of its officers, employees, or agents shall
have control over the conduct of Contractor, except as set forth in this Agreement.
Contractor shall not at any time or in any manner represent that he is in any manner an
officer, employee, or agent of the City. Contractor shall not incur or have the power to
incur any debt, obligation, or liability whatever against City, or bind City in any manner.

(b) No employee benefits shall be available to Contractor in connection with
the performance of this Agreement. Except for the fees paid to Contractor as provided
in the Agreement, City shall not pay salaries, wages or other compensation to
Contractor for performing services hereunder for City. City shall not be liable for
compensation or indemnification to Contractor for injury or sickness arising out of
performing Services hereunder.
10. **LEGAL RESPONSIBILITIES**

The Contractor shall keep itself informed of State and Federal laws and regulations which in any manner affect the performance of his or her Service pursuant to this Agreement. The Contractor shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Contractor to comply with this Section.

11. **UNDUE INFLUENCE**

Contractor declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City will receive compensation, directly or indirectly, from the Contractor, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

12. **RELEASE OF INFORMATION/CONFLICTS OF INTEREST**

(a) Contractor shall not, without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, responses to interrogatories, or other information concerning the Services performed under this Agreement. Response to a subpoena or court order shall not be considered “voluntary” provided Contractor gives City notice of such court order or subpoena.

(b) Contractor shall promptly notify City should Contractor be serviced with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, or party regarding this Agreement and the work performed thereunder. Contractor agrees to cooperate fully with City and to provide the opportunity to review any response to discovery requests provided by Contractor. However, City’s right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

13. **ASSIGNMENT**

The Contractor shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City.

14. **OWNERSHIP OF DOCUMENTS AND DATA**

All completed reports and other data or documents provided or prepared by the Consultant in accordance with this Agreement are the property of the City, and may be used by the City at its own risk.
15. **AUDITING**

The City reserves the right to periodically audit all charges made by the Consultant to the City for services under this Agreement. The Consultant agrees that City or its delegate will have the right to review, obtain and copy all records pertaining to the performance of this Agreement. The Consultant agrees to provide City or its delegate with any relevant information requested and shall permit City or its delegate access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspection and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this requirement. The Consultant further agrees to maintain such records for a period of three (3) years after final payment under this Agreement.

16. **GOVERNING LAW**

The City and Contractor understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the Parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the County of San Joaquin.

17. **ENTIRE AGREEMENT**

This Agreement contains the entire understanding between the Parties relating to the obligations of the Parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force of effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party’s own independent investigation of any and all facts such party deems material.

18. **DISPUTE RESOLUTION**

All claims, disputes, or any other matters in controversy between the Parties arising out of or in any way related to this Agreement shall first attempt to be resolved by informal telephonic or written communication between the Parties. In the event that informal techniques do not resolve a dispute, all Parties agree that any dispute will be submitted to mediation, prior to pursing any other remedies provided by law.

19. **ATTORNEY’S FEES**

In any action between the Parties arising out of or connected with this Agreement, including any arbitration proceeding, the prevailing party in such action shall be awarded, in addition to any damages, injunctions, or other relief, its costs and expenses, not limited to taxable costs, and reasonable attorney’s fees.
20. **INTERPRETATION, SEVERABILITY**

(a) The headings used in this Agreement are used for the convenience only and shall not be construed in interpreting this Agreement. Whenever the context so requires, the masculine shall include the feminine and neuter, and the singular shall include the plural and conversely.

(b) If any portion of this Agreement shall be held invalid or inoperative, then, so far as in reasonable and possible:

1. The remainder of this Agreement shall be considered valid and operative; and

2. Effect shall be given in the intent manifested by the portion held invalid or inoperative.

21. **NOTICE**

Any notices or other communications to be given to either party under this Agreement shall be in writing, shall be delivered to the addresses set forth below, and shall be effective as follows:

1) be personal delivery, effective upon receipt by the addressee; or
2) by certified US mail, return receipt requested, effective seventy-two (72) hours after deposit in the mail:

The City of Stockton  
Deputy City Manager  
Laurie Montes  
425 N. El Dorado St  
Stockton, CA 95202

William Avery & Associates, Inc.  
Paul Kimura  
3 ½ North Santa Cruz Ave., Suite A  
Los Gatos, CA, 95030
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on this day and year below:

CITY OF STOCKTON

Date: ______________________

By: ________________
   (Print Name)

Its: ________________
    (Title)

   ______________________
   (Signature)

WILLIAM AVERY & ASSOCIATES

Date: ______________________

By: ________________
   (Print Name)

Its: ________________
    (Title)

   ______________________
   (Signature)

APPROVED AS TO FORM:

____________________
CITY ATTORNEY

ATTEST:

____________________
BONNIE PAIGE
CITY CLERK
Recruitment Team for the City of Stockton

Paul Kimura will serve as the Principal in charge of these projects and will be supported by the administrative team of Avery Associates. Mr. Kimura will be personally involved in meeting with the hiring authorities to define the ideal candidate profile, development of the search strategy, interview and assessment of candidates, facilitation of final candidate interviews, and will be available throughout the search process to provide other related consulting services.

Recruitment Plan and Services Provided

I. Position Profile and Organizational Assessment

The initial assessment phase is a critical component of the search process. Mr. Kimura will meet with the key decision makers to discuss the organizational needs and position requirements. Our goal for this aspect of the recruitment process is to:

- Understand the City and departmental priorities for these positions.
- Develop a clear understanding and consensus on the expertise, experience, education, performance attributes, interpersonal skills and operational style of the ideal candidate.
- Discuss the goals, objectives, deliverables, and challenges related to these positions.
- Gain insight of the various organizational dynamics and departmental issues that exist within the organization.
- Identify the compelling aspects to these opportunities.

We would welcome the opportunity to have other discussions with various key staff members and/or other individuals if desired by the organization. Based on these discussions, a candidate profile and a proposed job announcement brochure will be presented for approval. The ideal candidate profile would be incorporated into the formal position announcement. The candidate profile is also utilized in various other means as a marketing tool, an advertising copy, and for other announcements.

II. Development of the Search Strategy

The search strategy is developed in conjunction with the organizational assessment. The final approach is based on your input and considerations
during the assessment activity. For these assignments, we feel it is critical to develop a high level of visibility with a comprehensive outreach program supplemented by a focused targeted recruitment approach. We would incorporate the following elements into these searches:

- Development and contact of a targeted candidate list based on our extensive database of current recruitment contacts, referrals and recommendations from key sources and other current and former incumbents or related personnel who have extensive contacts and networks in each of the areas.

- Job postings on Internet-based job boards, association-based websites that are unique to specific disciplines and/or to the public sector in general. For example, in the Fire assignment we would post on the CFCA and WFCA websites and for the Wastewater position, organizations such as Brown & Caldwell, CWEA and APWA.

- Original research, which consists of identification and contact of current incumbents or other candidates who meet the various profile, but are not actively seeking other employment. This is the crux of our direct and aggressive phone and email outreach approach. It's our experience that despite extensive mailing, postings and announcements, many will not know of a position being available.

- Print advertising in various periodicals related to the public sector or to these disciplines. Regular distribution magazines such as Western City and Jobs Available get a high degree of visibility.

- Development and distribution of the comprehensive position announcement to various city, county, and state departments, as well as agencies throughout the state and country.

III. Candidate Assessment

Our assessment process involves several “tiers” of evaluation. Candidates responding to this position will be initially evaluated based on their resume and if appropriate, a phone “screening” by a firm Consultant. Candidates who pass the initial “qualifying” criteria are then scheduled for a formal interview with the Principal in charge of the project. These extended personal interviews typically take one hour and a thorough discussion of their experience, accomplishments, management philosophy and interpersonal style takes place.

In interviewing candidates, we utilize a methodology based on “behavioral” interview techniques. Fundamentally, this approach explores a candidate's past accomplishments and experiences. The philosophy here is that the
best indicator of future performance is assessing past behavior. This methodology allows the firm to "project" how a candidate would approach and address challenges in the new position.

Those individuals who best fit the position requirements will have a Candidate Assessment Report developed by the Principal who conducted the interview. Additionally, two initial reference interviews are performed on these candidates. The reference interviews provide our clients with additional insights on the candidate's "behavior" and style.

IV. Candidate Presentation

Upon completion of formal interviews and initial reference interviews, a selection of candidates for presentation is made. Typically, the number of final candidates requested by our clients range from five to seven.

We feel our extensive screening, interview, and reference process; combined with the knowledge gained during our initial assessment period, enable our client to proceed with fewer rather than more finalists.

The final candidates are presented in our candidate presentation "book." Each finalist will have a file consisting of a candidate summary sheet, a resume, the Candidate Assessment Report (based on the formal interview), and two candidate reference interviews.

Candidate summary sheets for everyone who submitted a resume will also be included. This provides the client with insight to the nature of response for their position.

V. Selection Process

Once the final candidate interview group is identified, we will assist in the structuring of the interview process and coordinate the interview scheduling activity. Our firm will also provide candidates with guidance related to travel planning, hotel accommodations, as well as other interview planning issues.

Upon request, our firm will also arrange a summary background evaluation on the City's final one or two candidates. A copy of these confidential reports can be provided for you. The costs for these evaluations are considered independent of the recruitment expenses listed below and will be invoiced separately.

VI. Position Closure and Follow-Up

Based on the firm's experience in human resource management and executive search, we are able to assist our clients in the formulation of appropriate
compensation and other employment arrangements. We will be available throughout our retention to assist in this process.

As a matter of policy, Avery Associates monitors the transition and progress of any executive we place with a client. Within the first three to six months after the City has hired the individual, we will speak with that individual to ensure that an effective transition has occurred. During the same period, we will also review the individual’s status with your office.

Consulting Fee

Based on the services described in this proposal and our ability to realize economics of scale for two simultaneous recruitments, the Consulting Fee for these assignments are as follows:

The Professional Services Consulting Fee for these recruitments will be $28,800. We would provide our first retainer invoice in the amount of $7,200 at the outset of the search. A second invoice of $7,200 will be billed upon presentation of candidate recommendations for the first search. A third invoice of $7,200 will be billed at the completion of the first search. The final invoice of $7,200 will be billed at the completion of the second search. The consulting fee will be inclusive of all services defined within this proposal unless otherwise stated.

In addition to the Professional Services Fee, normal and direct out-of-pocket expenses associated with these searches are charged back to the client. These recruitments would have a not-to-exceed expense amount of $9,000. These expenses include: media and internet advertising, clerical time, supplies, printing, telephone, postage, and consultant travel for client discussions, meetings, and local and out-of-area initial candidate interviews. All expense items will be detailed and billed on a monthly basis.

Guarantees and Ethics

Whenever William Avery & Associates, Inc. is retained; we make several guarantees and commitments to a client. Due to our experience, knowledge and success within the management consulting field, we assure a client that we will only present candidates who meet a substantial majority of the ideal qualifications that you have outlined. We are also committed to continue our search efforts until a successful candidate is employed.

It is our practice to replace a candidate who may voluntarily resign during the first two years of his/her employment. This same commitment applies if the client finds it necessary to terminate or to request the resignation of the selected individual in the first two years for reasons which would have precluded his/her employment had they been known at the time employment started. In either case, we invoice a client only for out-of-pocket expenses incurred in identifying a replacement.
EXHIBIT B

INSURANCE REQUIREMENTS

The Consultant shall procure and maintain for the duration of the Agreement insurance against all claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives or employees.

Minimum Limits of Insurance

1. INSURANCE Throughout the life of this Contract, the Consultant shall pay for and maintain in full force and effect with an insurance company admitted by the California Insurance Commissioner to do business in the State of California and rated not less than "A: VII" in Best Insurance Key Rating Guide, the following policies of insurance:

   A. COMMERCIAL (BUSINESS) AUTOMOBILE LIABILITY insurance, endorsed for "any auto" with combined single limits of liability of not less than $1,000,000 each occurrence.

   B. WORKERS' COMPENSATION insurance as required under the California Labor Code and Employers Liability Insurance with limits not less than $1,000,000 per accident/injury/disease.

   C. COMMERCIAL OR COMPREHENSIVE GENERAL LIABILITY AND MISCELLANEOUS SUPPLEMENTARY INSURANCE;

   FOR ADDITIONAL REQUIREMENT(S):

      (i) COMMERCIAL OR COMPREHENSIVE GENERAL LIABILITY insurance which shall include Contractual Liability, Products and Completed Operations coverages, Bodily Injury and Property Damage Liability insurance with combined single limits of not less than $1,000,000 per occurrence, and if written on an Aggregate basis, $2,000,000 Aggregate limit.

Deductibles and Self-Insured Retention

Any deductibles or self-insured retention must be declared to and approved by the City.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:
1. The City, its officers, officials, employees, and volunteers are to be covered as additional insured on general liability and automobile liability policies as respects: liability out of activities performed by or on behalf of the Consultant; premises owned, occupied or used by the Consultant; and automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City, its officers, officials, employees or volunteers.

2. For any claims related to the project, the Consultant’s insurance coverage shall be primary insurance as respects City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by City, its officers, officials, employees, or volunteers shall be excess of the Consultant’s insurance and shall not contribute with it.

3. Any failure to comply with the reporting or other provisions of the policies shall not affect coverage provided to City, its officers, officials, employees, or volunteers.

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.

5. Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days’ prior written notice by certified mail, return receipt requested, has been given to City.

Subcontractors

Before permitting any subcontractors to perform work under this Agreement, the Consultant shall require subcontractors to furnish satisfactory proof that insurance has been issued and is maintained similar to that provided by the Consultant as may be applied to each subcontractor’s work.

Acceptability of Insurers

Insurance is to be placed with insurers that are admitted insurance carriers in the State of California, or must otherwise be approved by City.

Verification of Coverage

The Consultant shall furnish City with original endorsements of effective coverage for policies on which City is included as an additional insured as required by this Exhibit, and shall furnish original certificates of insurance for all other required policies. The endorsements are to be signed by the person authorized by the
insurer to bind coverage on its behalf. All endorsements and certificates are to be received and approved by City before work commences.

Upon request, the Consultant shall furnish City a certified copy of any or all policies of insurance covering the work required under this Agreement.