# AGREEMENT FOR CONTRACTOR SERVICES

THIS AGREEMENT ("AGREEMENT") is entered into on March 14, 2025 ("Effective Date") by and between the CITY OF POMONA ("the CITY") and USI INSURANCE SERVICES ("CONSULTANT"), with its primary business location at 21250 Hawthorne Blvd., #380 Torrance, California 90503. The CITY and CONSULTANT may be individually referred to herein as the Party and collectively as the Parties.

#### RECITALS

**WHEREAS**, the CITY desires to engage CONSULTANT to provide ancillary employee benefits brokerage services.

**WHEREAS**, CONSULTANT is willing to perform the services defined herein for the Project; and

**WHEREAS**, CONSULTANT represents that the principal representative stated below is authorized to act as such on behalf of CONSULTANT.

**NOW, THEREFORE**, the Parties agree as follows:

- 1. **TERM**. This AGREEMENT shall commence on January 1, 2025, and shall expire on December 31, 2027, unless extended by the Parties or terminated at an earlier date, as may be implemented as set forth herein. The AGREEMENT may be extended for two, one-year terms, subject to prior written agreement signed by the Parties.
- 2. REPRESENTATIVES OF THE PARTIES AND SERVICE OF NOTICE. The representatives of the Parties who are primarily responsible for the administration and performance of the AGREEMENT, and to whom formal notice, demands and communications must be given, are as follows:
  - A. The principal representative of the CITY is:

René Anderson, Human Resources/ Risk Management Director City of Pomona Human Resources Department 505 South Garey Avenue Pomona, CA 91766 (909) 620-2299

- B. The principal representative of the CONSULTANT is:

   Gary Delaney, Senior Vice President, Employee Benefits
   USI Insurance Services
   21250 Hawthorne Blvd., #380
   Torrance, CA, 90503
   (310) 993-6566
- C. Formal notices, demands and communications to be given hereunder by either party must be made in writing and effected by personal delivery or by mail. Formal notices and demands sent by E-mail or facsimile are not valid.
- D. If the name of the principal representative designated to receive the notices, demands or communications, or the address of such person, is changed, written notice shall be given within five calendar days of said change.

- **3. RETENTION.** The CITY retains CONSULTANT to provide Ancillary Benefits Brokerage Services in accordance with this AGREEMENT. CONSULTANT agrees to render such services on the terms and conditions stated herein.
- **4. SCOPE OF SERVICES.** The scope of services to be provided is set forth in the attached Scope of Services, which is made Exhibit "A" to this AGREEMENT.
- **5. COMPENSATION.** The CITY agrees to pay CONSULTANT for the services set forth in the aforementioned Scope of Services.
  - A. CONSULTANT agrees that fees for services are \$42,000.00 annually, as set forth in Exhibit "B," attached hereto, unless the CITY has given specific advance approval in writing.
  - B. Within 30 days of receipt of invoices, the CITY will pay undisputed invoice balances. Within 30 days of receipt of invoices the CITY will notify CONSULTANT of any disputed amount.
    - C. Withholding Compensation.
      - After the CITY gives CONSULTANT a notice of a performance deficiency, including a time for correcting deficient performance, the CITY may, it its sole option, withhold compensation for nonperformance when CONTRACTOR fails to correct performance deficiencies.
      - 2. Ongoing or recurring deficiencies are considered separate non-performance events each time CONSULTANT fails to correct deficiencies, after which each day is an additional occurrence subject to withholding of compensation.

## 6. INDEPENDENT CONTRACTOR.

- A. CONSULTANT is an independent contractor. As such, CONSULTANT has no power or authority to incur any debt, obligation or liability on behalf of the CITY, unless such authority is expressly conferred under this AGREEMENT. Further, CONSULTANT is not entitled to any benefit typically associated with an employee such as medical, sick leave, retirement, or vacation benefit. CONSULTANT expressly waives any claim to any such right.
- B. The personnel performing services under this AGREEMENT on behalf of CONSULTANT will, at all-times be under CONSULTANT's exclusive direction and control. Neither the CITY, nor any of its employees, have any control over the manner, mode, or means by which CONSULTANT, its agents, or its employees, perform the services required herein, except as otherwise stated in this AGREEMENT. The CITY has no voice in the selection, discharge, supervision or control of CONSULTANT's employees, representatives, or agents, or in fixing their number, compensation, or hours of service.
- C. CONSULTANT will perform services under this AGREEMENT as an independent contractor and will, at all times, remain a wholly independent contractor. The CITY does not, in any way or for any purpose, become, nor may it be deemed a partner of CONSULTANT in the latter's business or otherwise a joint venture or member of any joint enterprise with CONSULTANT.
- 6. **ECONOMIC INTEREST STATEMENT.** CONSULTANT hereby acknowledges that, in accordance with Government Code Section 87300 and the Conflict of Interest Code adopted by the CITY hereunder, CONSULTANT is designated in said Conflict of Interest Code and is therefore required to file an Economic Interest Statement (Form 700) with the City Clerk, for each employee providing advice under this Agreement, prior to the commencement of work. The extent of

CONSULTANT's disclosure requirements is set forth in the Written Determination of the City Manager of the CITY, attached hereto as Exhibit "C."

#### 7. PERS INDEMNITY.

- A. In the event CONSULTANT or any employee, agent, or subcontractor of CONSULTANT providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the CITY, CONSULTANT will indemnify, defend , and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of CONSULTANT or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.
- B. Notwithstanding any other agency, state or federal policy, rule, regulation, law, or ordinance to the contrary, CONSULTANT and any of its employees, agents, and subcontractors providing service under this Agreement do not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation , benefit, or any incident of employment by the CITY, including but not limited to eligibility to enroll in PERS as an employee of the CITY and entitlement to any contribution to be paid by the CITY for employer contribution or employee contributions for PERS benefits.
- C. CONSULTANT is solely responsible for compliance with PERS restrictions applicable to any of CONSULTANT's employees, agents, or subcontractors.

# 8. INDEMNITY AND INSURANCE.

- A. INDEMNITY. CONSULTANT hereby agrees to protect, indemnify and hold the CITY and its employees, officers and servants free and harmless from any and all losses, claims, liens, demands and causes of action of every kind and character including, but not limited to, the amounts of judgment, interests, court costs, legal fees, expert costs, expert fees and all other expenses incurred by the CITY to the maximum extent allowed by law arising in favor of any party, including claims, liens, debts, personal injuries including employees of the CITY, death or damages injuries, including employees of the CITY, death or damages to property (including property of the CITY) and without limitation by enumeration, all other claims or demands of every character occurring or arising directly out of or as a consequence of the performance of the work performed hereunder, except only such injury to persons or damage to property due or claimed to be due to the sole negligence of the CITY. This provision is not intended to create any cause of action in favor of any third party against CONSULTANT or the CITY or to enlarge in any way the CONSULTANT's liability but is intended solely to provide for indemnification of the CITY for liability for damages or injuries to third persons or property arising from CONSULTANT's negligent performance hereunder.
- B. INSURANCE. CONSULTANT will procure and maintain at all times during the term of this AGREEMENT insurance as set forth in Exhibit "D" attached hereto.
- **9. PREVAILING WAGE LAW.** CONSULTANT is aware of the requirements of California Labor Code Section 1720, et seq. and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing-wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and the total compensation is \$1,000 or more, CONSULTANT agrees to fully comply with such Prevailing Wage Laws. Moreover, as required by Labor Code 1860, CONSULTANT shall secure the payment of compensation to CONSULTANT's employees in accordance with the provisions of Labor Code Section 3700. CONSULTANT shall obtain a copy of the prevailing rates of per diem

wages at the commencement of the Agreement from the website of the Division of Labor Statistics and Research of the Department of Industrial Relations located at www.dir.ca.gov/dlsr/. CONSULTANT shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at CONSULTANT's principal place of business and at the project site. CONSULTANT shall defend, indemnify and hold the CITY, its officials, officers, employees, agents, and volunteers free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

REGISTRATION. If the Services are being performed as part of an applicable "public works" or "maintenance" project, then under Labor Sections 1725.5 and 1771.1, the CONSULTANT and all sub consultants must be registered with the Department of Industrial Relations, CONSULTANT shall maintain registration for the duration of the project and require the same of any sub consultants, and this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be CONSULTANT's sole responsibility to comply with all applicable registration and labor compliance requirements. Notwithstanding the foregoing, the registration requirements mandated by Labor Code sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code sections 1725.1 and 1771.1.

- **10. OWNERSHIP OF WORK PRODUCT.** All reports, documents, or other written material developed by CONSULTANT in the performance of this AGREEMENT are and remain the property of the CITY without restriction or limitation on their use or dissemination by the CITY. Such material may not be the subject of a copyright application by CONSULTANT. Any re-use by CITY of any such materials on any project other than the project for which they were prepared is at the sole risk of CITY unless CITY compensates CONSULTANT for such use.
- 11. CONFIDENTIALITY Employees of CONSULTANT, in the course of their duties, might have access to financial, accounting, statistical, and personnel data of private individuals and employees of the CITY. CONSULTANT covenants that all data, documents, discussion, or other information developed or received by CONSULTANT or provided for performance of this AGREEMENT are deemed confidential and shall not be disclosed by CONSULTANT without written authorization by the CITY. The CITY shall grant such authorization if disclosure is required by law. All CITY data shall be returned to the CITY upon the termination of this AGREEMENT. CONSULTANT's covenant under this Section survives the termination of this AGREEMENT.
- **12. TERMINATION FOR CONVENIENCE** The CITY may terminate this AGREEMENT at any time without cause by giving 30 calendar days written notice to CONSULTANT of such termination and specifying the effective date thereof. If this AGREEMENT is terminated as provided herein, CONSULTANT will be paid only the total amount equal to the service that CONSULTANT has provided, to the CITY's satisfaction, as determined solely by the CITY, as of the termination date. In no event may the amount payable upon termination exceed the total maximum compensation provided for in this AGREEMENT or the value of services provided as of date of termination.
  - 13. TERMINATION FOR CAUSE. If for any reason, CONSULTANT fails to fulfill in a timely and proper manner its obligation under this AGREEMENT, or if CONSULTANT violates any of the covenants or stipulations of this AGREEMENT, the CITY then has the right to terminate this AGREEMENT by giving a five-calendar-day written notice to CONSULTANT. The notice must refer to this clause, specify the nature of the alleged default, and specify the effective date of the termination. CONSULTANT will be paid a total amount equal to the service CONSULTANT has provided, to the CITY's satisfaction, as determined solely by the CITY, as of the termination date. In no event may the amount payable upon termination exceed the total maximum compensation provided in this AGREEMENT.
    - 14. ASSIGNMENT AND SUBCONTRACTING. Neither party may assign or

subcontract the rights or responsibilities under this AGREEMENT without the express, written consent of the other party, which may be withheld for any reason or for no reason.

15. STANDARD. CONSULTANT agrees that the services to be rendered pursuant to this AGREEMENT shall be performed in accordance with the standards customarily provided by an experienced and competent professional organization rendering the same or similar services. CONSULTANT will re-perform any of said services that are not in conformity with industry standards, as determined solely by the CITY. CONSULTANT will be relieved of its obligation to re-perform said services if the CITY does not notify CONSULTANT within 180 days after the completion of the non-conforming service.

# 16. RESOLUTION OF DISPUTES.

- A. Disputes regarding the interpretation or application of any provisions of this AGREEMENT must, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties.
- B. If any action, at law or in equity, is brought to enforce or to interpret any provisions of this AGREEMENT, the prevailing party in such action shall be entitled to recover reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.
- 17. FORCE MAJEURE. The respective duties and obligations of the Parties hereunder are suspended while and so long as performance hereto is prevented or impeded by strikes, disturbances, riots, fire, severe weather, government action, war acts, acts of God, or any other cause similar or dissimilar to the foregoing which are beyond the control of the party from whom the affected performance was due.
- 18. NON-DISCRIMINATION AND EQUAL EMPLOY MENT OPPORTUNITY. In the performance of this AGREEMENT, CONSULTANT may not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition, or sexual orientation. CONSULTANT will take affirmative action to ensure that subcontractors and applicants are employed without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition, or sexual orientation.
- 19. **SEVERABILITY**. If any provision of this AGREEMENT is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions nevertheless continue in full force and effect without being impaired or invalidated in anyway.
- Qrganic Waste. Contractor shall purchase or procure compost and or mulch necessary to meet the City's annual recovered organic waste product procurement target under the SB 1383 Regulations (14 CCR Section 18993.1) without additional charge to the City (or its customers). Contractor agrees to act as a direct service provider on behalf of the City. Contractor shall assist the City in meeting its recovered organic waste product procurement target, as required by 14 CCR Section 18993.1 and will assist the City with applicable recordkeeping requirements under 14 CCR Section 18993.2.

Or

Professional service agreements. Contractor shall, to the extent possible use printing and writing papers, including all imprinted letterhead paper, envelopes, copy paper and business cards, with 30% post-consumer recycled content, as described in 14 CCR Section 18993.3. Contractor, to the extent possible, shall use paper products, janitorial supplies, shop towels, hand towels, facial tissue, toilet paper, seat covers, corrugated boxes, file boxes, hanging file folders and other products comprised largely of paper, which contain post-consumer content, as described in 14 CCR Section

- 18993.3. The percentage of post-consumer content shall be verifiable by a product label, catalog, invoice or manufacturer or vendor website. The printing and writing papers, and the paper products, shall be recyclable.
- **21. GOVERNING LAW.** This AGREEMENT is governed by and must be construed in accordance with laws of the State of California. In the event of litigation between the parties, venue of state trial courts lies exclusively in the County of Los Angeles. In the event of litigation in a U.S. District Court, exclusive venue lies in the Central District of California.

#### 22. COMPLIANCE WITH LAWS.

- A. CONSULTANT shall keep informed of, and comply with, State, Federal, and local laws, ordinances, codes, and regulations that in any manner affect the CONSULTANT's performance of this AGREEMENT. CONSULTANT shall at all times comply with such laws, ordinances, codes and regulations.
- B. CONSULTANT shall obtain a CITY Business License prior to commencing performance under this AGREEMENT.
- C. If CONSULTANT is an out-of-state corporation or LLC, it must be qualified or registered to do business in the State of California pursuant to the California Corporations Code.
- D. The CITY, its officers, and employees, shall not be liable at law or in equity occasioned by CONSULTANT's failure to comply with this Section.
- 23. NON-WAIVER. The CITY's waiver of any breach of any provision of this AGREEMENT shall not be deemed a waiver of any other provision of this AGREEMENT, and shall not be deemed a waiver of any subsequent breach of the same provision or any other provision. The CITY's payment to CONSULTANT shall not constitute a waiver of any breach or default which may then exist on the part of the CONSULTANT. The CITY's payment to CONSULTANT shall not impair or prejudice any right or remedy available to the CITY with regarding to such breach or default.
- **24. ENTIRE AGREEMENT.** This AGREEMENT, together with Exhibits "A," "B," "C" and "D" supersede any and all other agreements, either oral or in writing, between the parties with respect to the subject matter herein. Each party to this AGREEMENT acknowledges that no representation by any party, which is not embodied herein, nor any other agreement statement or promise not contained in this AGREEMENT shall be valid and binding. Any modification of the AGREEMENT shall be effective only if it is in writing and signed by all Parties.

# **IN WITNESS WHEREOF** this Agreement is entered into by the Parties hereto on the dates set forth below.

CITY OF POMONA	CONSULTANT
By: Anita D. Scott, City Manager  Date:	By:
ATTEST	
Rosalia Butler, City Clerk	
APPROVED AS TO FORM:	
By: Kylee Otto, for Deputy City Attorney	

Approved by City Council on March 24, 2025

# **EXHIBIT "A"**

# SCOPE OF SERVICES

Contractor, in coordination with the City's Human Resources/ Risk Management Department, shall provide employee benefits insurance brokerage services for the City of Pomona, which shall include the following:

# **Broker Services**

Assess current employee benefit package and provide recommendations to offer benefit plans that are comprehensive, affordable, and creative.

Assess plans and provide options to enhance the voluntary benefit program for employees (e.g. Pet Insurance, Legal Benefits, etc).

Annual review and report of employee benefit programs for quality and adequacy of benefits provided, cost effectiveness, competitiveness, plan administration, and recommendations concerning any changes in terms, conditions, and limits.

Act as liaison between the City and carriers to resolve any issues between the two parties. Monitor the carriers' performance and provide periodic reports of performance to the Human Resources Department. Provide assistance with resolving disputes regarding coverage, billing questions and service delivery.

Provide guidance and assistance in exploring online enrollments for ancillary benefits, including integration with the City's new Enterprise Resources Planning (ERP) project (which includes implementing a new HRIS system).

# **Benefits Communications**

Assist the City with the open enrollment process and provide support in employee education related City benefit options.

Provide materials related to employee benefits programs (i.e. brochures, booklets, benefits summaries, rate sheet summaries) designed to increase employee awareness of benefits plan options.

Provide enrollment materials for open enrollment and new hires or other hand-outs or educational literature for employees.

Conduct meetings with benefit-eligible City employees to educate them about the benefit plans available and how the various plans would assist each employee.

Provide training regarding up-to-date benefit related topics, laws, regulations, and plans for Human Resources staff or other City employees as requested.

# Legal Compliance

Assist Human Resources in the Regulatory Compliance of the various City benefit programs.

Provide compliance updates on new laws and ensure benefit plans and the City are in compliance with federal and state laws or regulations.

Respond to specific benefit compliance questions and provide leadership (e.g. Affordable Card Ace, COBRA, FMLA, Internal review Code, and ancillary regulations).

# **EXHIBIT "B"**

# Compensation

Consultant has agreed to a flat annual fee of \$42,000.00, which shall include all professional services to perform the Scope of Services described in Exhibit "A".

# **EXHIBIT "C"**

# WRITTEN DETERMINATION (Page 1 of 2)

I, Anita D. Scott, City Manager of the City of Pomona ("CITY"), have made the following determination with regard to economic interest disclosure requirements for The\_CONSULTANT\_\_ pursuant to the Conflict of Interest Code adopted by CITY:

x]	CONSULTANT shall disclose its economic interest pursuant to the broadest disclosure category in the Code. (CATEGORY I*)	
	[x] CATEGORY I: Business interests and Investments	
]	CONSULTANT has been hired to perform a range of duties that are limited in scope and thus CONSULTANT is not required to comply with the broadest disclosure category requirements. Based on the Scope of Services set forth in Exhibit "A," of the Agreement, CONSULTANT need only provide economic interest disclosure under the following categories*:	
]	CATEGORY II: Supply Sources	
]	CATEGORY III: Contractors	
]	CATEGORY IV: Geographic location	
	*A full explanation of each of these disclosure categories is found on page 2 of this Exhibit.	
]	CONSULTANT is not required to comply with Disclosure requirements based on the following:	
	[ ] Duties of CONSULTANT under this AGREEMENT are not applicable to Conflict of Interest Code	
	[ ] Other:	
	Anita D. Scott, City Manager	
	]	

# WRITTEN DETERMINATION (Page 2 of 2)

# **DESIGNATED EMPLOYEE CATEGORIES**

- I. This category applies to individuals that make, or participate in making, decisions that may have a material effect on their financial interest(s)in:
  - a. businesses in which the individual holds an investment or business position 1:
  - b. sources of income; or
  - c. real property.

Individuals subject to this category need not disclose under Category II or III. Individuals subject to this category must disclose any of the following financial interests within the City and within two miles of City boundaries:

- a. investments in business entities<sup>2</sup>
- b. business positions held;
- c. sources of income; and
- d. Interestsin real property.
- II. This category applies to individuals that make, or participate in making, decisions that involve the purchase of services, supplies, materials, machinery or equipment.

Individuals subject to this category must disclose any of the following financial interests in business entities which provide services, supplies, materials, machinery, equipment, or technology of the type utilized by the City:

- a. Investments in business entities;
- b. business positions held; and
- c. Sources of income.
- III. This category applies to individuals that make, or participate in making, decisions that involve contracting for services including, but not limited to:
  - a. professional services;
  - b. vendor services;
  - c. consulting services; and
  - d. Contractor services.

Individuals subject to this category must disclose any of the following financial interests in business entities which provide contract services, of the type utilized by the City:

- a. investments in business entities;
- b. business positions held; and
- c. Sources of Income.
- IV. This category applies, as applicable, to commissioners. Individuals subject to this category must disclose:
  - a. all investments in, interest in, or income from, real property located within the jurisdiction Of the respective board or commission and five hundred feet contiguous thereto; and
  - b. all investments in, interest in, or income from, any business entity:
    - i. in which the person holds a business position; and
    - ii. That is either: A) within the jurisdiction of the respective board or commission and five hundred feet contiguous thereto; or B) conducted business within the jurisdiction of the respective board or commission and five hundred feet contiguous thereto, at any time during the two years prior to the date of filing the Statements of Economic Interest.

<sup>&</sup>lt;sup>1</sup> "Business positions\* shall include, but not be limited to, a role as a director, officers, partner, trustee, employee, or any management position.

<sup>&</sup>lt;sup>2</sup> "Business entities· shall include, but not be limited to, sole proprietorships, partnerships, and corporations.

# EXHIBIT "D" INSURANCE REQUIREMENTS

CONSULTANT will maintain throughout the duration of the term of the AGREEMENT, Liability Insurance covering CONSULTANT and designating CITY, including its elected or appointed officials, directors, officers, authorized agents, and employees, as additional insureds against claims resulting in injury or damage to persons or property (both real and personal) caused by any aspect of CONSULTANT's work, in amounts no less than the following, and with such deductibles as are ordinary and reasonable in keeping with industry standards. It must be stated, in the Additional Insured Endorsement, that CONSULTANT's insurance policies must be primary with respect to any claims related to or as the result of CONSULTANT's work. Any insurance, pooled coverage, or self-insurance maintained by CITY, its elected or appointed officials, directors, officers, authorized agents, and employees must be non-contributory. The Additional Insured Endorsement does not apply to the Professional Liability or Workers' Compensation Insurance requirement.

# Professional Liability Insurance:

a. General Aggregate

\$2,000,000 per claim and in the aggregate

## General Liability:

a.	General Aggregate	\$2,000,000
b.	Products Comp/Op Aggregate	\$2,000,000
C.	Personal & Advertising Injury	\$1,000,000
d.	Each Occurrence	\$1,000,000
e.	Fire Damage (any one fire)	\$50,000
f.	Medical Expense (any one person)	\$5,000

# Workers' Compensation:

a.	Workers' Compensation	Statutory Limits
b.	EL Each Accident	\$1,000,000
C.	EL Disease - PolicyLimit	\$1,000,000
d.	EL Disease - Each Employee	\$1,000,000

# Automobile Liability

a. Any vehicle, combined single limit \$1,000,000

CONSULTANT will provide thirty (30) days advance notice to CITY in the event of cancellation of any coverage. Certificates of insurance and additional insured endorsements must be furnished to CITY thirty (30) days prior to the effective date of this Agreement. Refusal to submit such certificates constitutes a material breach of this Agreement entitling CITY to any and all remedies at law or in equity, including termination of this Agreement. If proof of insurance required under this Agreement is not delivered as required or if such insurance is canceled and not adequately replaced, CITY has the right but not the duty to obtain replacement insurance and to charge the CONSULTANT for any premium due for such coverage. CITY has the option to deduct any such premium from the sums due to the CONSULTANT. All such policies of insurance shall be endorsed so Licensee's insurance shall be primary and no contribution shall be required of City, its officers, officials, employees, agents or volunteers. Any Workers Compensation insurance policy shall contain a waiver of subrogation as to City, its officers, officials, employees, agents and volunteers.

Insurance is to be placed with insurers authorized and admitted to write insurance in California and with a current A.M. Best's rating of A-: VII or better. Acceptance of insurance from a carrier with a rating lower than A-: VII is subject to approval by City's Risk Manager. CONSULTANT shall immediately advise the CITY of any litigation that may affect these insurance policies.