



## **HAYWARD AREA RECREATION AND PARK DISTRICT**

### **Request for Proposals for Organizational Assessment of the Recreation, Arts and Community Services Department**

RFP Issue Date: August 19, 2021  
RFP Response Due Date: September 16, 2022

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## **INTRODUCTION**

The Hayward Area Recreation and Park District (“District”) is seeking a highly qualified and experienced individual or professional consulting firm (“Consultant”) with a proven track record of accomplishment in similar projects in the public sector to conduct an organizational assessment of the District’s Recreation, Arts and Community Services Department (“Recreation”); recommending operational efficiencies, organizational structures, and performance measures to ensure the Department functions at a high level of efficiency and effectiveness. This Request for Proposal (RFP) outlines the requirements and selection process.

### **1. TIME SCHEDULE**

August 19, 2022	Distribution of Request for Proposals
August 31, 2022	Deadline for submission of questions
September 7, 2022	District provides responses to questions
September 16, 2022	Proposals Due
Week of September 26, 2022	District conducts interviews with finalist firm(s)
October 2022	Board of Directors considers award of contract

### **2. BACKGROUND**

The District is an independent special district that was established in 1944. The District is governed by an elected five-member Board of Directors and provides park and recreation services for all community residents. The District serves approximately 309,000 residents and has 143 full-time budgeted positions. During the summer months, the District hires approximately 200 hourly employees to staff various District summer programs.

The Recreation Department currently consists of the following classifications: Recreation, Arts and Community Services Director, Recreation Supervisors, Recreation Coordinators, and Program Leaders. The Department is also staffed significantly by hourly employees. The Department operates recreation and community centers, senior centers, a golf course and driving range, sports fields, school park areas, pools, gymnasiums, nature centers and other facilities. The District provides recreational programs at its facilities and at other governmental agency buildings.

The Recreation Department is committed to enriching the quality of life for community members. This is achieved by offering a variety of programs and facilities to residents across the District that promote health, wellness, fun and life-long learning. Building on

the mission of the District, staff encourages residents to learn, play and explore. Funding for the Department comes from fees for services, grants, donations, and general tax revenues. The Department is comprised of seven programming divisions covering eleven areas of interest provided at 40 facilities and 110 parks. Programs, facilities and services are offered for all ages and abilities within the District and many non-District residents also utilize the services and programs. Program and facility fees are developed through direct-cost analysis and market surveys and are adopted by the Board of Directors with a mindfulness towards accessibility. Additionally, scholarships are available for those in need of financial assistance and a newly launched Health Equity Initiative prioritizes equitable programming throughout all areas of the District.

The Recreation Department's divisions are: Seniors, Special Needs and Volunteers Division, Drama, Dance and Music Division, Aquatics and Fitness Division, Youth and Adult Sports Division, Preschool, Teens and Camps Division, Facilities, Customer Service and Activity Guide Division, Nature, Arts and Photography Division.

### **3. PURPOSE**

The purpose of this proposal is to conduct an organizational assessment of the District's Recreation Department. The Department seeks to understand the extent to which the Department operations are positioned to meet the Departments' and community's current and future needs. The District is seeking an independent consultant to review and assess the organizational structure, operational functions, review job descriptions, and levels of staffing and make recommendations that will enhance the organizational operations for current and future needs. The Department is responsible for ensuring quality recreation services and facility rentals.

### **4. SCOPE OF SERVICE**

The District is seeking a consultant who is highly skilled and fully knowledgeable in the field of organizational assessments.

The Consultant shall work closely with the Recreation Department staff to gain an understanding of the operations, organizational structure, staff workload, staff functions, and to identify the most efficient manner to deliver both public and internal services. The Study will require an objective assessment of the Division's capabilities. The Consultant will provide recommendations supported by best practices or evidence-based operational practices.

Tasks: Consultant shall perform the Services and complete below tasks within 120 days of

contract award.

1. Kick-Off Meeting (Virtual).

- Hold a meeting with key District staff to discuss parameters of the Study, potential questions and needs, Study goals and scope of service objectives, next steps, and draft schedule.
- Provide the District with a list of needs to support Study activities.

**→ Deliverables. Meeting agenda, minutes, revised schedule based on discussion, project goals memorandum, and revised work plan, if necessary.**

2. Existing Conditions Analysis.

- Collect job descriptions, job analysis questionnaires, and documents detailing current and historical organizational structure and performance.
- Meet with staff to discuss job analysis questionnaires and to determine individual staff workloads.
- Identify supervisory ratio. Identify staff, Division and program functions.
- Document routine and major tasks, activities and processes.
- Identify technologies used by the Division.
- Survey staff for technical skill competencies, certifications, and trainings.
- Identify risks, patterns and trends.
- Obtain observations about current operations to provide suggestions for improvements. The Consultant may use various strategies to gather feedback, perceptions and viewpoints of Department staff to provide context for how the Division works intra-departmentally.
- Conduct outreach to both internal and external stakeholder groups.
- Work with staff to develop criteria for identifying cities and propose cities for a comparative analysis that are of similar size and of similar characteristics including, but not limited to, geography, population, economics, development, and service delivery profile.
- Review the historical staffing and budget of the Department.

**→ Deliverables. Existing Conditions Memorandum**

3. Organizational Assessment and Comparative Analysis.

- Comparatively analyze Recreation tasks, activities, processes, and organizational structure to other cities. The analysis shall include, but not be limited to, process times, specific steps, staff characteristics (responsibilities, experience, supervisory ratio, District employee to consultant ratio, retention, etc.)
- Comparatively analyze staff workloads.
- Identify functional strengths and weaknesses.
- Analyze Division's ability to retain permanent employees.
- Evaluate the staff resources needed to carry out the primary functions of the

Division given the level of development and construction activity in the District. This will include analyzing the Division's reliance on consultant staff and District permanent, contractual, and hourly employees.

- Evaluate the District's initiatives, goals and objectives, and address alignment.
- Review job descriptions.

**→ Deliverable. Organization and Operations Assessment Memorandum**

4. Recommendations.

- Identify best practices and performance measures for the Department.
- Recommend an optimal organizational model based on available budget.
- Provide recommendations for streamlining procedures and processes for department functions.
- Identify cost saving technologies to support current and future programs and operations.
- Provide training recommendations to improve operations and support succession planning.
- Identify staffing requirements, both current and future.
- Formulate recommendations for each program/function.
- Recommend salary alignments among Department positions (i.e. percentage difference between positions).
- Evaluate and recommend possible internal salary alignment between positions in the Department and other departments at the District (i.e. Recreation Department and Parks and Facilities Department).
- Recommend opportunities for improvement (i.e. gaps) or innovations between current business practices and best- or evidence-based practices to streamline operations.
- Evaluate if the existing number of District employees is sufficient given existing workloads and if the Division's reliance on consultants is reasonable.
- Identify successful retention practices and factors in the recreation field.
- Determine whether alternative service delivery models may address some or all identified staffing or operational issues.
- Provide training recommendations to improve operations and support succession planning.
- Recommend indicators to track program performance to be included in the Implementation Plan.
- Calculate potential cost savings as well as impacts upon service delivery. Provide a justification supporting anticipated savings and impacts.

**→ Deliverable. Recommendations Memorandum.**

5. Executive Summary, Final Report, and Implementation Plan.

Executive Summary

- Draft an Executive Summary targeting a non-technical audience.

- Outline implications to the Department raised by the analyses and recommendations.
- Include any issues identified by the Consultant, which may be outside the scope of work but are relevant to improving Division operations.

#### Final Report

- Prepare a draft Final Report for the District to review and ensure factual accuracy before completing the Final Report.
- The Final Report will cohesively present the findings detailed in the Memoranda.

#### Implementation Plan

- Prepare an Implementation Plan to serve as a roadmap to guide the Division from its current position to one that better meets the needs of the Department, the District and the Community.
- In addition to providing tools to manage and track implementation, the Implementation Plan shall identify recommendations that can be implemented immediately (within one year), in the short term (within three years), and in the long term (in five to ten years).

**→ Deliverables. Executive Summary, Final Report, and Implementation Plan.**

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Recreation Department Operating Budget

FY 2022 – 2023 Adopted Budget

<https://www.haywardrec.org/DocumentCenter/View/7977/FY22-23-Proposed-Budget-WebReady-version>

**—Department Budget Summary**  
**Recreation, Arts and Community Services Budget Summary**

Budget Category	FY20-21 Actual	FY21-22 Adopted	FY21-22 Projected	FY22-23 Proposed	Change from FY21-22 Projected	
<i>Revenue</i>						
Charges for Services*	\$ 1,134,755	\$ 1,803,947	\$ 2,609,631	\$ 3,134,750	\$ 525,119	20%
Use of Facilities/Equipment	19,278	632,539	180,519	458,000	277,481	154%
Contract Leases	3,200	-	7,000	17,736	10,736	153%
Donations	65,271	57,270	23,875	22,600	(1,275)	-5%
Intergovernmental Revenue	429,563	359,450	352,021	371,900	19,879	6%
Other Sources	963	-	851	-	(851)	-100%
<b>Total Revenue</b>	<b>\$ 1,653,030</b>	<b>\$ 2,853,206</b>	<b>\$ 3,173,898</b>	<b>\$ 4,004,986</b>	<b>\$ 831,088</b>	<b>26%</b>
<i>Expenditures</i>						
Salaries & Wages	\$ 2,638,302	\$ 3,893,679	\$ 3,460,253	\$ 4,270,344	\$ 810,091	23%
Employee Benefits	1,500,754	2,131,107	1,924,941	1,725,557	(199,384)	-10%
Services & Supplies	1,112,185	1,263,517	1,963,616	2,254,842	291,226	15%
Internal Service Charges	102,583	472,132	628,687	647,581	18,894	3%
<b>Total Expenditures</b>	<b>\$ 5,353,825</b>	<b>\$ 7,760,435</b>	<b>\$ 7,977,498</b>	<b>\$ 8,898,324</b>	<b>\$ 920,826</b>	<b>12%</b>

\*Net of discounts & complimentary

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FY 2021 – 2022 Adopted Budget

<https://www.haywardrec.org/DocumentCenter/View/7635/HARD-Adopted-FY222-Budget-Book-with-Resolution-9-9-21>

Recreation, Arts and Community Services						
Budget Category	FY19-20 Actual	FY20-21 Adopted	FY20-21 Projected	FY21-22 Adopted	Change from FY20-21 Projected	
<b>Revenue</b>						
Charges for Services*	3,096,521	1,772,394	687,062	1,803,947	1,116,885	163%
Rents: Use of Facilities/Equip	338,476	228,100	12,264	632,539	620,275	5058%
Donations	107,787	90,900	63,600	57,270	(6,330)	-10%
Intergovernmental Revenue	585,319	389,517	404,517	359,450	(45,067)	-11%
Other Sources	4,608	-	-	-	-	N/A
<b>Total Revenue</b>	<b>\$ 4,132,712</b>	<b>\$ 2,480,911</b>	<b>\$ 1,167,443</b>	<b>\$ 2,853,206</b>	<b>\$ 1,685,763</b>	<b>144%</b>
<b>Expenditures</b>						
Salaries & Wages	5,174,545	2,624,712	2,641,890	3,893,679	1,251,789	47%
Employee Benefits	2,215,192	1,695,666	2,004,723	2,131,107	126,384	6%
Services & Supplies	1,701,207	2,057,862	932,984	1,263,517	330,533	35%
Internal Service Charges	5,328	91,448	102,583	472,132	369,549	360%
<b>Total Expenditures</b>	<b>\$ 9,096,272</b>	<b>\$ 6,469,687</b>	<b>\$ 5,682,179</b>	<b>\$ 7,760,435</b>	<b>\$ 2,078,256</b>	<b>37%</b>
<i>*Net of discounts &amp; complimentary</i>						

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FY 2020 – 2021 Adopted Budget

<https://www.haywardrec.org/ArchiveCenter/ViewFile/Item/82>

<b>Recreation, Arts and Community Services</b>						
<b>Budget Category</b>	<b>FY18-19 Actual</b>	<b>FY19-20 Adopted</b>	<b>FY19-20 Revised/ Projected</b>	<b>FY20-21 Adopted</b>	<b>Change from FY19-20 Revised</b>	
<b>Revenue</b>						
Charges for Services*	\$ 4,429,616	\$ 4,412,234	\$ 3,310,534	\$ 1,772,394	\$ (1,538,141)	-46%
Intergovernmental Revenue	146,940	657,698	664,698	389,517	(275,181)	-41%
Rents: Use of Facilities/Equip	-	456,200	456,200	228,100	(228,100)	-50%
Donations	121,401	90,900	90,900	90,900	-	0%
Concessions**	7,350	-	7,500	-	(7,500)	-100%
Other Sources	72,884	-	-	-	-	NA
<b>Total Revenue</b>	<b>\$ 4,778,191</b>	<b>\$ 5,617,032</b>	<b>\$ 4,529,832</b>	<b>\$ 2,480,911</b>	<b>\$ (2,048,921)</b>	<b>-45%</b>
<b>Expenditures</b>						
Salaries & Wages	\$ 7,210,619	\$ 6,539,613	\$ 5,329,588	\$ 2,624,712	\$ (2,704,876)	-51%
Employee Benefits	2,424,106	2,408,258	2,438,258	1,695,666	(742,592)	-30%
Services & Supplies	2,400,094	2,514,443	2,032,878	2,057,862	24,984	1%
Internal Service Charges	-	-	-	91,448	91,448	NA
Fixed Assets	70,266	-	-	-	-	NA
<b>Total Expenditures</b>	<b>\$ 12,105,085</b>	<b>\$ 11,462,314</b>	<b>\$ 9,800,724</b>	<b>\$ 6,469,687</b>	<b>\$ (3,331,036)</b>	<b>-34%</b>

\*Net of discounts & complimentary

\*\*Rolled up in charges for services in FY20-21

Recreation Department Full-Time Budgeted Positions

FY 2022 – 2023 Adopted Budget Positions

	FY21-22 Amended	Changes	FY22-23 Proposed
<i>Recreation, Arts &amp; Community Service</i>			
Recreation, Arts and Community Services Director	1.00	-	1.00
Customer Service Supervisor	1.00	-	1.00
Clerk I	2.00	-	2.00
Clerk II	2.00	-	2.00
Recreation Supervisor	6.00	-	6.00
Recreation Coordinator II	6.00	-	6.00
Recreation Coordinator I	-	2.00	2.00
Maintenance & Construction Foreman	1.00	-	1.00
Special Needs Program Leader	1.00	-	1.00
Program Leader III	4.00	-	4.00
Program Leader II	1.00	-	1.00
	<b>25.00</b>	<b>2.00</b>	<b>27.00</b>

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FY 2021 – 2022 Adopted Budget Positions

Hayward Area Recreation and Park District			
<b>FTE Listing / Personnel Summary</b>			
FY21-22 Adopted Budget			
	FY20-21 <u>Amended</u>	<u>Changes</u>	FY21-22 <u>Adopted</u>
<b>Recreation, Arts &amp; Community Service</b>			
Recreation, Arts and Community Services Director	1.00	-	1.00
Customer Service Supervisor	1.00	-	1.00
Clerk I	2.00	-	2.00
Clerk II	2.00	-	2.00
Theatre Manager	1.00	(1.00)	-
Recreation Supervisor	6.00	-	6.00
Recreation Coordinator II	9.00	(3.00)	6.00
Maintenance & Construction Foreman	1.00	-	1.00
Maintenance & Construction Tech I	1.00	(1.00)	-
Special Needs Program Leader	1.00	-	1.00
Program Leader III	5.00	(1.00)	4.00
Program Leader II	1.00	-	1.00
Volunteer Coordinator	1.00	(1.00)	-
<b>Grand total</b>	<b>32.00</b>	<b>(7.00)</b>	<b>25.00</b>

FY 2020 – 2021 Adopted Budget Positions

	FY19-20 <u>Adopted</u>	<u>Changes</u>	FY19-20 <u>Amended</u>	<u>Changes</u>	FY20-21 <u>Adopted</u>
<b>Recreation, Arts &amp; Community Service</b>					
Recreation, Arts and Community Services Director	1.00	-	1.00	-	1.00
Customer Service Supervisor	1.00	-	1.00	-	1.00
Clerk II	2.00	-	2.00	-	2.00
Theatre Manager	1.00	-	1.00	-	1.00
Recreation Supervisor	6.00	-	6.00	-	6.00
Recreation Coordinator II	9.00	-	9.00	-	9.00
Maintenance & Construction Foreman	1.00	-	1.00	-	1.00
Maintenance & Construction Tech I	1.00	-	1.00	-	1.00
Program Leader III	5.00	-	5.00	-	5.00
Program Leader II	1.00	-	1.00	-	1.00
Volunteer Coordinator	-	1.00	1.00	-	1.00
	<b>28.00</b>	<b>1.00</b>	<b>29.00</b>	-	<b>29.00</b>

[RFP Continues on Following Page]

## 6. RESPONDING TO THE RFP

- a. Content.** The purpose of this proposal is to demonstrate and clearly articulate the qualifications, service level, costs for services, competence and capacity of the firm seeking to become consultants for the District. Proposals should include sufficient communication to ensure that the proposed methodology is understood and the results are regarded as expert, impartial, legal, defensible and fair. At a minimum, each proposal should be organized to clearly address the following requirements:
- i. Cover letter including the name, address, phone number and signature of the person authorized to bind the Proposer to the terms of the proposal.
  - ii. Experience/Background: Provide a brief history of the firm and any sub-consultants undertaking the work. Provide details on the firm's experience conducting similar organizational assessments which shall include an overview of the team's experience in similar projects, and specify the roles performed in those projects by key personnel.
  - iii. A description of at least three (3) similar public sector assignments completed by the proposer with the names of the clients; the clients' service area and number of employees; the type of agencies; contact persons, email addresses and telephone numbers.
  - iv. Structure and Content of Work Product: Describe the way in which the work product will be structured and presented upon completion.
  - v. Cost Proposal/Fee Schedule: A detailed "not-to-exceed" cost proposal for each of the main components outlined in the Scope of Services in this RFP. In addition, the cost proposal shall include an itemized budget, including all necessary labor costs and expenses (direct and indirect), for each of the project components. The cost proposal shall state the current hourly rates of all assigned staff/team members.
  - vi. Validity of Proposal. Responses to this RFP shall be valid for a minimum of ninety (90) days. Proposers shall state the length of time for which the proposal shall remain valid. Submissions not valid for at least ninety (90) days will be considered non-responsive.
  - vii. A timeline that includes project milestones to effectively and efficiently

complete the proposed scope of work on or before the scheduled due date.

viii. Contact information for the firm in case there are inquiries or further clarification is needed.

ix. Miscellaneous: Disclose any conflicts or perceived conflicts of interest including any relationships with any current or former District personnel and identify what procedures your firm utilizes to resolve such conflict. List all previous engagements with the District. Provide any additional information which Consultant deems appropriate.

## **7. OTHER CONDITIONS**

- a. The District reserves the right to reject any or all proposals, waive formalities, negotiate terms and conditions, and to select the agent and service options that are in the best interest of the District and its employees.
- b. It is expected that Consultant maintains the highest level of confidentiality involving confidential information.
- c. Consultant must provide all documents created and data collected, in a usable format (word, excel, etc.).

## **8. EVALUATION CRITERIA**

Award shall be based on a best value evaluation. Criteria used for the evaluation will include: cost, responsiveness to this RFP, qualifications and experience, references, previous performance, ability to provide services, and timeline for completing the services. While cost is a significant factor during the evaluation process, RFPs based on low cost alone will not receive the award.

During the evaluation process the District reserves the right, where it may serve the District's best interest, to request additional information or clarification from Proposers. Upon selection, a Professional Services Agreement shall be executed.

## **9. SUBMITTAL**

**An electronic copy** of the proposal shall be emailed to Natalie Wong, [wonn@haywardrec.org](mailto:wonn@haywardrec.org) and to Adriane Lee Bird, [bira@haywardrec.org](mailto:bira@haywardrec.org). All proposals must be received no later than **4:00 p.m. on September 16.**

Late responses will not be considered. Any questions, comments and/or concerns must be directed to the individual specified below and received no later than 4:00 p.m. on **September 16.**

Natalie Wong, Human Resources Manager

Phone: (510) 455-1124

Email: [wonn@haywardrec.org](mailto:wonn@haywardrec.org)

## EXHIBIT A: INSURANCE REQUIREMENTS

*Excerpt from District Contract regarding Insurance Requirements*

**Section 4. INSURANCE REQUIREMENTS.** Before beginning any work under this Agreement, Consultant, at its own cost and expense, shall procure "occurrence coverage" insurance against 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 and its agents, representatives, employees, and subcontractors. Consultant shall provide proof satisfactory to District of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the District. Consultant shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid. Consultant shall not allow any subcontractor to commence work on any subcontract until Consultant has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to District. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution.

It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits shall be available to District as an additional insured. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured; whichever is greater. The additional insured coverage under the Consultant's policy shall be "primary and non-contributory" and will not seek contribution from District's insurance or self-insurance and shall be at least as broad as CG 20 01 04 12. In the event Consultant fails to maintain coverage as required by this Agreement, District at its sole discretion may purchase the coverage required and the cost will be paid by Consultant. Failure to exercise this right shall not constitute a waiver of right to exercise later. Each insurance policy shall include an endorsement providing that it shall not be cancelled, changed, or allowed to lapse without at least thirty (30) days' prior written notice to District of such cancellation, change, or lapse.

- 4.1 **Workers' Compensation.** Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant. The Statutory Workers' Compensation Insurance and Employer's Liability



Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or the Consultant, if a program of self-insurance is provided, shall waive all rights of subrogation against the District and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the District. Consultant shall notify District within 14 days of notification from Consultant's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

## **4.2 Commercial General and Automobile Liability Insurance.**

**4.2.1 General requirements.** Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

**4.2.1 Minimum scope of coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG

0001. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 Code 1 (“any auto”).

**4.2.2 Additional requirements.** Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. District and its officers, employees, agents, and volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of activities performed by or on behalf of Consultant, including the insured’s general supervision of Consultant; products and completed operations of Consultant; premises owned, occupied, or used by Consultant; and automobiles owned, leased, or used by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to District or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the District and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the District shall be called upon to contribute to a loss under the coverage.
- d. Any failure of CONSULTANT to comply with reporting provisions of the policy shall not affect coverage provided to DISTRICT and its officers, employees, agents, and volunteers.
- e. An endorsement shall state that coverage shall not be canceled except after thirty (30) days’ prior written notice by certified mail, return receipt requested, has been given to the District. Consultant shall notify District within 14 days of notification from Consultant’s insurer if such coverage is suspended, voided or reduced in

coverage or in limits.

**4.3** **Professional Liability Insurance.** Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than ONEMILLION DOLLARS (\$1,000,000) covering the licensed professionals' errors and omissions.

**4.3.1** Any deductible or self-insured retention shall not exceed \$150,000 per claim.

**4.3.2** An endorsement shall 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 the District.

**4.3.3** The policy must contain a cross liability or severability of interest clause.

**4.3.4** The following provisions shall apply if the professional liability coverages are written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant must provide extended reporting coverage for a minimum of five years after completion of the Agreement or the work. The District shall have the right to exercise, at the Consultant's sole cost and expense, any extended reporting provisions of the policy, if the Consultant cancels or does not renew the coverage.

- d. A copy of the claim reporting requirements must be submitted to the District prior to the commencement of any work under this Agreement.

#### 4.4 All Policies Requirements.

4.4.1 **Acceptability of insurers.** All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

4.4.2 **Verification of coverage.** Prior to beginning any work under this Agreement, Consultant shall furnish District with certificates of insurance and with original endorsements effecting coverage required herein. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The District reserves the right to require complete, certified copies of all required insurance policies and endorsements. Failure to exercise this right shall not constitute a waiver of right to exercise later.

4.4.3 **Subcontractors.** Consultant agrees to include with all subcontractors in their subcontract the same requirements and provisions of this Agreement including the Indemnification and Insurance requirements to the extent they apply to the scope of the Subcontractor's work. Subcontractors hired by Consultant agree to be bound to Consultant and the District in the same manner and to the same extent as Consultant is bound to the District under the Contract Documents. Subcontractor further agrees to include these same provisions with any Sub-subcontractor. A copy of the Owner Contract Document Indemnity and Insurance provisions will be furnished to the Subcontractor upon request. The General Contractor shall require all subcontractors to provide a valid certificate of insurance and the required endorsements included in the agreement prior to commencement of any work and will provide proof of compliance to the

District.

**4.4.4 Variation.** The District may approve a variation in the foregoing insurance requirements, upon a determination that the coverages, scope, limits, and forms of such insurance are either not commercially available, or that the District's interests are otherwise fully protected.

**4.4.5 Deductibles and Self-Insured Retentions.** All self-insured retentions (SIR) and/or deductibles must be disclosed to the District for approval and shall not reduce the limits of liability. Policies containing any self-insured retention provision and/or deductibles shall provide or be endorsed to provide that the SIR and/or deductibles may be satisfied by either the named insured or the District.

**4.4.6 Excess Insurance.** The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of District (if agreed to in a written contract or agreement) before District's own insurance or self-insurance shall be called upon to protect District as a named insured.

**4.4.7 Notice of Reduction in Coverage.** In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Consultant shall provide written notice to District at Consultant's earliest possible opportunity and in no case later than five days after Consultant is notified of the change in coverage.

**4.5 Remedies.** In addition to any other remedies District may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, District may, at its sole option exercise any of the following remedies, which are alternatives to other remedies District may have and are not the exclusive remedy for Consultant's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

END OF REQUEST FOR PROPOSALS