

Exhibit E: INSURANCE

Before the commencement of work by Lessee on the Site, Lessee shall submit Certificates of Insurance and Endorsements evidencing that Lessee has obtained the following forms of coverage and minimal amounts specified:

A. MINIMUM SCOPE OF INSURANCE

- 1) **General Liability.** Either Comprehensive General Liability Insurance or Commercial Liability Insurance or Self Insurance that is permitted and licensed by the State of California
- 2) **Automobile Liability Insurance.** Either commercial auto insurance offered by insurance carriers licensed to sell auto liability insurance in California or Self Insurance that is permitted and licensed by the State of California.
- 3) **Workers' Compensation and Employer Liability Insurance.** Either standard insurance offered by insurance carriers or Self Insurance that is permitted and licensed by the State of California.
- 4) **Professional Liability Insurance.** Either Self Insurance or standard coverage offered by insurance carriers, but only when the contract involves professional services such as engineering architectural, legal, accounting, instructing, consulting, medical, and other professional services.
- 5) **Contractors Pollution Liability.** Either standard insurance offered by insurance carriers or Self Insurance that is permitted and licensed by the State of California.
- 6) **Waiver of Subrogation.** Lessee's comprehensive general liability insurance or commercial liability insurance (if Lessee maintains either comprehensive general liability insurance or commercial liability insurance), automobile liability insurance (if Lessee maintains automobile liability insurance), worker's compensation insurance (if Lessee maintains worker's compensation insurance), and umbrella insurance policy (if Lessee maintains an umbrella insurance policy) shall provide a waiver of subrogation, in favor of Lessor.

B. MINIMUM LIMITS OF INSURANCE

- 1) **General Liability.** At least \$2,000,000 combined single limit **per occurrence** coverage for bodily injury, personal injury and property damage, plus an annual aggregate of at least \$2,000,000; an umbrella policy may be used to attain such minimum coverage.
- 2) **Automobile Liability.** Policy limits shall be at least \$1,000,000 combined single limit for bodily injury and property damage for autos used by Lessee to fulfill the requirements of this contract.

3) Workers' Compensation and Employer's Liability.

Workers' Compensation and Employer's Liability. Workers' Compensation insurance at statutory limits and Employer's Liability insurance each with policy limits of at least \$1,000,000 for bodily injury or disease.

4) Professional Liability Insurance (Only applies when contracting for professional services). Professional liability insurance covering Lessee's negligent acts or omissions (for professional services in connection with this Site Lease Agreement) shall be provided in an amount of at least \$1,000,000 per occurrence or \$1,000,000 on a claims made basis. Such professional liability insurance shall contain a one (1) year extended reporting period. If during the contract period or within two years after the contract has expired or terminated, Lessee terminates professional liability insurance, Lessee shall promptly notify Lessor of its decision to terminate coverage, and then purchase an extended claims reporting provision that covers liability claims that maybe filed within two years after work under this contract has been completed.

5) Contractors Pollution Liability. Contractors pollution liability insurance shall be provided on claims made basis in an amount of \$2,000,000, \$2,000,000 total all claims. Contractor's pollution liability insurance shall be limited to environmental damages that occur as a result of Lessee's own actions that directly cause environmental damage (after the Effective Date) and not from, among other things, (i) any preexisting conditions (preexisting the Effective Date), and/or (ii) actions of Lessor and/or others (actions of the Lessor and/or others prior to the Effective Date or at any time on and/or after the Effective Date). Such contractors pollution liability insurance shall contain a thirty (30) day extended reporting period.

6) Self Insurance. If Lessee chooses to self insure any of the coverages listed above, they must provide Lessor a letter from a duly licensed and accredited Actuary stating that their self insurance program is being funded in accordance with actuarially recommended guidelines.

C. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Insurance deductibles or self-insured retention must be declared on certificates of insurance. If Lessee maintains either Comprehensive General Liability Insurance or Commercial Liability Insurance, Lessee's deductible for either the Comprehensive General Liability Insurance or Commercial Liability Insurance shall be no greater than \$5,000.

D. OTHER INSURANCE PROVISIONS

General liability insurance policies only

The Lessee's policy shall be endorsed to provide the following coverages:

a) Additional Insured Endorsement. The Lessor shall be covered as insured as respects liability arising out of activities performed by or at the direction of the

Lessee, including products and completed operations of the Lessee; premises owned, occupied or used by the Lessee; or automobiles owned, leased, hired or borrowed by Lessee. The coverage shall contain no special limitations on the scope of protection afforded to Lessor.

b) Primary Insurance Endorsement. Lessee's insurance coverage shall be primary insurance (with the exception of Lessor's gross negligence or willful misconduct). Any insurance or self-insurance maintained by Lessor, its officers, officials, employees or volunteers shall be excess of the Lessee's insurance and shall not contribute with it.

c) Separation of Insured Clause. Lessee's insurance shall apply separately to each insured, as though a separate policy had been issued to each, except the policy aggregates apply collectively to all insureds.

Construction contracts exceeding \$25,000. Construction contracts exceeding \$25,000 must also provide an endorsement for Automobile Liability insurance, which includes the items listed in D a), b) and c) above.

E. ACCEPTABILITY OF INSURANCE CARRIERS.

Insurance is to be placed with insurers who are licensed to sell insurance in the State of California and who possess a Best's rating of no less than A-: VII. If the Lessee's insurance carrier is not licensed to sell insurance in the State of California, then the carrier must possess a Best rating of at least A: VIII. (For Best ratings go to <http://www.ambest.com/>)

F. VERIFICATION OF COVERAGE.

Lessee shall furnish the Lessor **certificates of insurance** and original **endorsements** affecting coverage required by this clause. All certificates of insurance and endorsements are to be received and approved by the Lessor before work under the contract has begun. The Lessor reserves the right to require complete, certified copies of all insurance policies required by this contract.

Lessee agrees to notify Lessor within five (5) working days of any notice from an insuring agency that cancels, suspends, and reduces in coverage or policy limits the insurance coverages described herein.

G. SUBCONTRACTORS.

Lessee shall include all subcontractors as insured under its policies or require all subcontractors to be insured under their own policies. If subcontractors are insured under their own policies, they shall be subject to all the requirements stated herein, including providing the Lessor certificates of insurance and endorsements before beginning work under this contract.

MONTEREY COUNTY

RISK MANAGEMENT

168 W. ALISAL STREET 3RD FLOOR
SALINAS, CA 93901-2680
(831) 755-5458
FAX (831) 751-9597
www.co.monterey.ca.us



June 3, 2015

Salinas Valley Solid Waste Authority
General Manager/CAO
P.O. Box 2159
Salinas, CA 93902-2159

**RE: Monterey County Emergency Communications – Lease Agreement, 1010 Lewis Road,
Watsonville, Ca 95076**

By this letter I hereby certify that the County of Monterey is lawfully self-insured for purposes of General Liability and Automobile Liability related to County sanctioned activities.

By order of the Board of Supervisors, the County of Monterey maintains a \$1.5 million reserve fund to cover occurrences within a self-insured retention level set by the Board. Above the self-insured retention, the County maintains a primary excess layer through the Princeton Excess & Surplus Lines Insurance Company with a master policy number N1A3RL0000095-00, effective 7/1/2014-7/1/2015.

This policy and its limits are inclusive of EPL, Employment Practice Liability (EPL), Errors and Omissions Liability (E&O,) and property damage.

Through a Joint Powers Authority Agreement with other counties, the CSAC Excess Insurance Authority, the County purchases a broad form property policy covering fire, vandalism, extended coverage, business interruption, etc. This coverage is underwritten by Lloyd's of London and various insurers under master policy #EIAPPR-10-14.

The County is self-insured for purposes of Workers' Compensation with statutory limits.

Respectfully,

A handwritten signature in cursive script that reads "Lydia Schumaker".

Lydia Schumaker
Risk & Benefits Analyst
Risk Management

Cc: William E. Harry, Emergency Communications