

**FUNDING AGREEMENT BETWEEN  
THE COUNTY OF SONOMA AND CITY OF CLOVERDALE  
FOR 450 WEST 2<sup>ND</sup> STREET, CLOVERDALE**

This Funding Agreement (this “Agreement”) is made and entered into as of \_\_\_\_\_, 2026 (“Effective Date”) by and between the **COUNTY OF SONOMA**, a political subdivision of the State of California, hereinafter referred to as the “County” and the **CITY OF CLOVERDALE**, a municipal corporation (hereinafter “City”) (each, a “Party” and collectively, the “Parties”).

**R E C I T A L S**

- A. **WHEREAS**, City owns that certain real property located at 450 West 2nd Street, Cloverdale (APN 001-051-023) on which is located a building containing +/- 2,700 sq. ft. built in the 1940’s known as the Scout’s Hut (the “Building”). The City desires to improve this Building making renovations to the bathroom, kitchen, HVAC and electrical systems among other actions; the Building and land associated with it shall be referred to as the “Property”;
- B. **WHEREAS**, County desires to contribute funds for the renovation of the Building which will be used for general recreational purposes and provided that County and its elected officials may use of portion of the renovated Property for governmental and office purposes, and the general public shall also benefit from an improved recreational facility;
- C. **WHEREAS**, County desires to fund a portion of the cost to renovate the Property, in an amount of \$333,000 provided City complies with the restrictions and conditions set forth herein. City estimates that the project to renovate the Property will cost as much as \$1,000,000;
- D. **WHEREAS**, in exchange for the contribution of funds by County, the City agrees to lease a portion of the Property for County’s use as an office space to be constructed within the renovated Building, which form of lease is attached hereto as “Exhibit C,” and made part of this Agreement by its reference herein. City shall make the remainder of the Building available to the public for recreational as well as other government purposes; and

- E. **WHEREAS**, City represents that it is duly qualified and experienced in the hiring and overseeing of similar construction projects and professionals, including building renovations and management of construction processes and related services in compliance with local, state, and federal law;

**NOW THEREFORE**, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

## **A G R E E M E N T**

1. Recitals. The foregoing recitals are true and correct and are incorporated by this reference.
  
2. County Funding. Subject to all terms and conditions herein, County shall provide Three Hundred Thirty-Three Thousand Dollars (\$333,000.00) (the “Funding”) to be used by the City exclusively for construction purposes, including the following tasks (individually a “Task” and collectively the “Tasks”) directly related to: (i) renovations to the bathroom, kitchen, HVAC and electrical systems and similar work to the Building; and (ii) construction of an office approximately 10 ft. x 15 ft. for use by County officials and the public, with a separate secure entrance.
  - a. In no event shall the Funding be used for procurement, administrative or overhead costs of City to complete the Tasks.
  - b. The funding amounts per category of Task will be identified in a Work Plan, to be prepared by City, delivered to County and is subject to County’s reasonable review and approval, and which when revised and/or approved shall become part of this Agreement pursuant to a future amendment hereto, and shall be attached as Exhibit A upon approval by County pursuant to Section 3.a below (“Work Plan”).
  - c. The Tasks shall be undertaken in a manner consistent with best construction practices. The Tasks shall be in accordance with the approved Work Plan.
  - d. County’s obligation to make the Funding available to City shall expire on December 31, 2027. Any funds not expended by the City by December 31, 2027, shall no longer be available under this Agreement.

3. Procedural Requirements.

a. Work Plan.

City shall submit the Work Plan to County for its review, comment and reasonable

approval. The Work Plan shall describe the proposed Tasks and, for each Task, establishing a timeline and budget for its completion. County's approval of the Work Plan shall be based upon the Work Plan's consistency with this Agreement. The Work Plan shall include: 1) for each Task, a general description of the work to be undertaken; 2) a timeline or schedule for each proposed Task; 3) a detailed budget for each Task, including proposed expenditure of the Funding for specific Tasks and the source of any additional funds necessary to accomplish the Tasks; and 4) a detailed description of the office space build out for the County's use as described in the Work Plan attached hereto as **Exhibit A**. The Work Plan may be amended from time to time with County's written approval. Such approval shall not be unreasonably withheld. City shall use best efforts to ensure that all Tasks are completed and the Building and the improved office space is ready for use by County no later than December 31, 2027.

b. Disbursement of Funds.

- i. Conditions. The County shall not be obligated to disburse any funds unless and until all of the following conditions have been met:
- City has provided an invoice to County for the Funding referencing the Work Plan Tasks, including those Tasks necessary to prepare the office for use by County, on form acceptable to County.
  - The Parties' lease, attached as **Exhibit C** hereto, has been previously executed and is a valid and binding agreement on the parties.
  - The County's Board of Supervisors has appropriated the Funding under this Agreement.
  - A Work Plan, pursuant to Section 3.a of this Agreement, has been approved by County.
  - City has obtained any and all permits and approvals necessary for proposed Tasks under applicable local, state and federal laws and regulations.
  - Environmental review has been completed by City to the extent required under the California Environmental Quality Act ("CEQA").

ii. Payment.

1. Upon Invoice. Payment of the Funding shall be on made upon prior invoice from City to County on form approved by County consistent with the terms hereof. City shall complete and submit one or more invoices to County containing at a minimum all the information in the sample form attached hereto as **Exhibit B** or on other form approved by County. County will pay the Funding to City

within 45 days of approval of said invoice.

2. Maximum Reimbursement. . In no event shall County reimburse City for construction expenses or costs in excess of the Funding. This Agreement shall expire seven (7) years after completion of the Work Plan and occupancy of the premises described in the Lease by County, except for those provisions intended to survive as expressly set forth herein.

3. Default; Return of Funding. If City fails to complete the improvement of the Building and all Tasks described by the Work Plan such that County can occupy its office lease space on or before January 1, 2028, County may terminate this Agreement upon 15 days' notice and require the Funding in its entirety be refunded to County within 30 days, and the Lease shall automatically terminate. The parties acknowledge that City's failure to complete the improvements to the Building described by the Work Plan by December 31, 2027, shall be deemed a material breach of this Agreement by City and cause for termination of this Agreement.

4. Work Requirements.

a. Procurement. In the expenditure of County's funding for the public works project contemplated herein, City shall use its own competitive procurement procedures, provided that such procedures are compliant with applicable provisions of the California Public Contract Code (Cal. Public Contract Code §§22000 *et seq.*).

b. Prevailing Wage. To the extent any portion of any Task constitutes the performance of a "public work" within the meaning of Labor Code section 1720, the City shall comply with all applicable wage and hour laws, including without limitation Labor Code Sections 1775, 1776, 1777.5 1813 and 1815 and California Code of Regulations, Title 8, Section 16000, *et seq.*

c. Subcontracts. City shall insert in every subcontract or other arrangement which City may make for performance of such work or labor on work provided for in the Work Plan a provision that subcontractor shall pay persons performing labor or rendering service under subcontract or other arrangement not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed in the Labor Code. Pursuant to Labor Code Section 1775(b)(1), City

shall provide to each Subcontractor a copy of Sections 1771, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code.

d. ADA Requirements. City shall ensure compliance with the Americans with Disabilities Act (ADA) in the provision of public access to the Property.

e. Non-Discrimination. the City shall comply with all applicable federal, state and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition, pregnancy, disability, sexual orientation, or other prohibited basis including, without limitation, the County's Non-Discrimination Policy. All nondiscrimination rules and regulations required by law to be included in this Agreement are incorporated herein by this reference.

f. Compliance with Laws. All Tasks and all goods and services funded under this Agreement shall be subject to and undertaken in accordance with all applicable federal, state, and local statutes, ordinances, rules, and regulations.

g. Standard of Care. County has relied upon the professional ability, experience and training of City as a material inducement to enter into this Agreement. City hereby agrees that all its work or the work performed by professional hired by City will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of City's work by County shall not operate as a waiver or release.

h. Limitation of Liability and Release of Claims. Except for County's breach of any of the affirmative obligations or covenants expressly made by County in this Agreement, City, on behalf of itself and its officers, employees, agents, contractors, successors, and assigns (collectively, "Releasors") respecting the Building, the Property and the Funding, does hereby, to the maximum extent permitted by law, waive, release and forever discharge County, and its officers, agents, and employees (collectively, "Releasees") from any and all claims, actions, causes of action, demands, liabilities, damages, costs, expenses, or compensation whatsoever, whether direct or indirect, known or unknown, foreseeable or unforeseeable (including, but not limited to, any economic damages, damages to or destruction of property, personal injuries and injury to or death of any person) which any Releasor may have in connection with, the modification, alteration, renovation, operation or leasing of the Building or the Property, and/or arising out of, or connected with, the procurement of work, implementation of the Work Plan, or use of the Funding. City, on behalf of itself and all Releasors, waives all rights, benefits and protections of California Civil Code Section 1542 and all similar law. California Civil

Code Section 1542 reads as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

City acknowledges that City is represented by counsel and that City understands the significance of executing this Agreement and the general release of claims set forth above. This Section 4.h shall survive the expiration or earlier termination of this Funding Agreement.

City's Initials \_\_\_\_\_

5. Accounting and Records Keeping.

a. Accounting Requirements. The City shall maintain an accounting system that is in accordance with sound generally accepted accounting procedures and standards, and that, at a minimum:

- i. Accurately reflects responsible fiscal transactions, with the necessary controls and safeguards.
- ii. Provides a documented audit trail for all revenues received and all revenues expended under this Agreement, including original source documents such as accountings, purchase orders, receipts, progress payments, invoices, timecards, and evidence of all payments.
- iii. Provides accounting data so the total of all revenues received and expenditures made under this Agreement and each individual component thereof can be readily determined.

b. Records and Access. All financial, accounting, procurement, licenses, insurance, and programmatic records related to all Tasks performed and reimbursements requested shall be maintained by City for no less than seven (7) years after payment of the Funding . Such records shall be available to County staff at all reasonable times for inspection, copying and analysis.

c. Annual Audit. City shall submit annual audited financial statements related

to the Funding and how City used the same to pay for Tasks under the Work Plan to the County by December 31 of each year until the December 31 following final reimbursement under this Agreement.

d. Fiscal and Project Monitoring. All Tasks and all reimbursements requested will be subject to monitoring by the County for compliance with this Agreement. The monitoring may include property inspections and examination of books, papers, accounts, documents or other records of the City as they relate to the expenditure of the Funding.

6. Issuance of Lease for Office Use. It is an express condition to the provision of the Funding by County to City hereunder that upon completion of the Work Plan and issuance of any final certificate of occupancy or other approvals for use of the Building, the Parties shall execute the lease for office use in the form attached hereto as **Exhibit C**. This right shall survive the expiration of this Agreement and shall be binding upon the Parties and their respective successors. Failure of the parties to enter into the lease for County's use of said office space prior to commencement of the work under the Work Plan shall be deemed a breach of this Agreement and in said event, County may terminate this Agreement upon 15 days' notice to the City without further obligation or liability to City.

7. Property Inspections. The County shall have the right to enter and inspect the Property upon 24-hour notice for the purposes of ensuring compliance with this Agreement.

8. Indemnification. The City agrees to accept all responsibility for loss or damage to any person or entity, including but not limited to County, its officers, agents, and employees and to defend, indemnify, hold harmless, reimburse and release County, its officers, agents, and employees, from and against any and all actions, claims, damages, disabilities, liabilities and expense, including but not limited to attorneys' fees and the cost of litigation, whether arising from personal injury, property damage or economic loss of any type, that may be asserted by any person or entity, including the County, arising out of or in connection with this Agreement and/or Tasks undertaken with the Funding, whether or not there is concurrent negligence on the part of County, but, to the extent required by law, excluding liability due to the sole or active negligence or the willful misconduct of County. If there is a possible obligation to indemnify, the City's duty to defend exists regardless of whether it is ultimately determined that there is not a duty to indemnify. County shall have the right to select its own legal counsel at the expense of the City, subject to the County's approval, which approval shall not be unreasonably withheld. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for City or its agents under workers' compensation acts, disability benefits acts, or other employee benefit acts.

9. Method and Place of Giving Notice, Making Submissions and Payments. Except as otherwise expressly provided herein, any notice, reimbursement claim, report, demand, request, approval, disapproval, or other communication that either party desires or is required to give under this Agreement shall be in writing and either served personally or sent by first class mail, private courier or delivery service, addressed as follows:

TO COUNTY: County of Sonoma  
Public Infrastructure  
400 Aviation Blvd., Suite 100  
Santa Rosa, CA 95403  
Attn: Real Estate Manager  
Phone: 707. 565. 2550  
Email: [SPI-RealEstate@sonomacounty.gov](mailto:SPI-RealEstate@sonomacounty.gov)

TO CITY : Kevin Thompson, City Manager  
City of Cloverdale  
124 N. Cloverdale Blvd.  
Cloverdale, CA 95425  
Office: 707.894.1710  
[www.cloverdale.net](http://www.cloverdale.net)

or to such other address as either party may designate by written notice to the other.

10. Insurance. City shall carry the insurance as set forth at **Exhibit D** attached hereto and incorporated herein by reference.

11. Assignment and Delegation. City shall not assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the County, and no such transfer shall be of any force or effect whatsoever unless and until such consent is received. Notwithstanding the foregoing, it is understood and agreed that City shall have the right to retain the services of professional licensed architects, contractors, engineers and or similar entity qualified to perform some or all of the Tasks set forth in the Work Plan. Thereafter, City may direct said entity to perform Tasks under the approved Work Plan.

12. Amendment. No changes in this Agreement shall be valid unless made in writing and signed by the Parties to the Agreement. No oral understanding or agreement not incorporated in this Agreement shall be binding on any of the Parties.

13. Miscellaneous Provisions.

a. No Waiver of Breach. The waiver by the County of any breach of any term contained in this Agreement shall not be deemed to be a waiver of such term or any subsequent breach of the same or any other term contained in this Agreement.

b. Severability and Interpretation. The Parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. The County and the City acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. The County and the City acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

c. Consent. Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld, conditioned or delayed.

d. No Third Party Beneficiaries. Nothing contained in this Agreement shall be construed to create and the Parties do not intend to create any rights in third parties.

e. Merger. This writing is intended both as the final expression of the agreement between the Parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by the Parties.

f. Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.

g. Project Implementation Extension. The Director of Public Infrastructure, at his or her sole discretion, may grant a single extension of time, of no more than two (2) years, for implementation of this Agreement. County's granting of an extension is dependent upon City's ability to demonstrate that reasonable progress on the Work Plan has been made, that City has been compliant with all provisions of this Agreement, and that the extension will result in successful implementation of the Work Plan within the extended time frame.

h. Counterpart; Electronic Signatures. The Parties agree that this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and together which when executed by the requisite parties shall be deemed to be a complete original agreement. Counterparts may be delivered via electronic mail (including PDF) or

other transmission method, and any counterpart so delivered shall be deemed to have been duly and validly delivered, be valid and effective for all purposes, and shall have the same legal force and effect as an original document. This Agreement, and any counterpart, may be electronically signed by each or any of the Parties through the use of any commercially available digital and/or electronic signature software or other electronic signature method in compliance with the U.S. federal ESIGN Act of 2000, California's Uniform Electronic Transactions Act (Cal. Civil Code § 1633.1 et seq.), or other applicable law. By its use of any electronic signature below, the signing party agrees to have conducted this transaction and to execution of this Agreement by electronic means.

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement as set forth below.

APPROVED:

City of Cloverdale

APPROVED:

County of Sonoma

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Director Public Infrastructure

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Exhibits (which are attached hereto and incorporated by this reference):

A: Work Plan

B: Sample Form of Invoice

C: Lease Agreement

D. Insurance Requirements

**Exhibit A: Work Plan**

[to be provided by City and  
approved by County to be  
attached]



**EXHIBIT C**  
**Lease**

## Insurance Required to be Carried by City

### Exhibit D

#### Section I – Insurance to be Maintained by City of Cloverdale

**City of Cloverdale** shall maintain insurance as described below unless such insurance has been expressly waived by the attachment of a *Waiver of Insurance Requirements*. The insurance shall be maintained for three (3) years after all funds have been disbursed.

County reserves the right to review any and all of the required insurance policies and/or endorsements, but has no obligation to do so. County's failure to demand evidence of full compliance with the insurance requirements set forth in this Agreement or County's failure to identify any insurance deficiency shall not relieve **City of Cloverdale** from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

#### 1. Workers Compensation and Employers Liability Insurance

- a. Required if City of Cloverdale has employees as defined by the Labor Code of the State of California.
- b. Workers Compensation insurance with statutory limits as required by the Labor Code of the State of California.
- c. Employers Liability with minimum limits of \$1,000,000 per Accident; \$1,000,000 Disease per employee; \$1,000,000 Disease per policy.
- d. Required Evidence of Insurance: Certificate of Insurance.

If City of Cloverdale currently has no employees as defined by the Labor Code of the State of California, City of Cloverdale agrees to obtain the above-specified Workers Compensation and Employers Liability insurance should employees be engaged during the term of this Agreement or any extensions of the term.

#### 2. General Liability Insurance

- a. Commercial General Liability Insurance on a standard occurrence form, no less broad than Insurance Services Office (ISO) form CG 00 01.
- b. Minimum Limits: \$1,000,000 per Occurrence; \$2,000,000 General Aggregate; \$2,000,000 Products/Completed Operations Aggregate. The required limits may be provided by a combination of General Liability Insurance and either Commercial Excess or Commercial Umbrella Liability Insurance. If City of Cloverdale maintains higher limits than the specified minimum limits, County requires and shall be entitled to coverage for the higher limits maintained by City of Cloverdale.
- c. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds \$100,000 it must be approved in advance by County. City of Cloverdale is responsible for any deductible or self-insured retention and shall fund it upon County's written request, regardless of whether City of Cloverdale has a claim against the insurance or is named as a party in any action involving the County.

- d. County of Sonoma, its officer, agents and employees, shall be endorsed as additional insureds for liability arising out of City of Cloverdale ongoing operations. (ISO endorsement CG 20 26 or equivalent).
- e. The insurance provided to the additional insureds shall be primary to, and non-contributory with, any insurance or self-insurance program maintained by them.
- f. The policy definition of “insured contract” shall include assumptions of liability arising out of both ongoing operations and the products-completed operations hazard (broad form contractual liability coverage including the “f” definition of insured contract in ISO form CG 00 01, or equivalent).
- g. The policy shall cover inter-insured suits between County and City of Cloverdale and include a “separation of insureds” or “severability” clause which treats each insured separately.
- h. Required Evidence of Insurance:
  - i. Copy of the additional insured endorsement or policy language granting additional insured status; and
  - ii. Certificate of Insurance.

**3. Automobile Liability Insurance**

- a. Minimum Limit: \$1,000,000 combined single limit per accident. The required limit may be satisfied by a combination of Automobile Liability Insurance and either Commercial Excess or Commercial Umbrella Liability Insurance.
- b. Insurance shall cover all owned vehicles if City of Cloverdale owns vehicles.
- c. Insurance shall cover hired and non-owned vehicles.
- d. Required Evidence of Insurance: Certificate of Insurance.

**4. Professional Liability/Errors and Omissions Insurance** *(Only required of recipients whose normal operations include professional services.)*

- a. Minimum Limit: \$1,000,000 per claim or per occurrence.
- b. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds \$100,000 it must be approved in advance by County.
- c. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of the work.
- d. Required Evidence of Insurance: Certificate of Insurance.

**5. Standards for Insurance Companies**

Insurers, other than the California State Compensation Insurance Fund, shall have an A.M. Best's rating of at least A:VII.

**6. Documentation**

- a. The Certificate of Insurance must include the following reference: 450 West 2nd Street, Cloverdale (Scout's Hut).
- b. City of Cloverdale shall submit required Evidence of Insurance prior to the execution of this Agreement. City of Cloverdale agrees to maintain current Evidence of Insurance on file with County for the required period of insurance.
- c. The name and address for Additional Insured endorsements and Certificates of Insurance is: County of Sonoma, their officers, agents and employees, County of

**Sonoma Public Infrastructure, 400 Aviation Blvd., Suite 100, Santa Rosa, CA 95403, Attn: Real Estate Manager, Phone: 707 565 2550, Email: SPI-RealEstate@sonomacounty.gov**

- d. Required Evidence of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing policy.
- e. City of Cloverdale shall provide immediate written notice if: (1) any of the required insurance policies are terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self-insured retention is increased.
- f. Upon written request, certified copies of required insurance policies must be provided within thirty (30) days.

#### **7. Policy Obligations**

City of Cloverdale's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

### **Section II – Insurance to be Maintained by Grantee's Contractors and/or Consultants with minimum limits of:**

#### **1) Commercial General Liability**

- a. \$1,000,000 per occurrence / \$2,000,000 general aggregate
- b. City of Cloverdale and County of Sonoma, their officers, agents and employees, shall be endorsed as additional insureds for liability arising out of contractors ongoing and completed operations.
- c. Coverage must be Primary and Non-Contributory.
- d. Evidence of Coverage required – Certificate of insurance and additional insured endorsement or policy language granting additional insured status.

#### **2) Automobile Liability**

- a. \$1,000,000 combined single limit.
- b. Evidence of Coverage required - Certificate of insurance.

#### **3) Workers' Compensation**

- a. Statutory limits as required by the Labor Code of the State of California.
- b. The policy shall be endorsed to include a written waiver of the insurer's right to subrogate against City of Cloverdale and County of Sonoma, their officers, agents and employees.
- c. Evidence of Coverage required - Certificate of insurance and subrogation waiver endorsement.

#### **4) Contractors Pollution Liability Insurance**

- a. Minimum Limits: \$2,000,000 per pollution incident; \$4,000,000 annual aggregate. If Contractor maintains higher limits than the specified minimum limits, County requires and shall be entitled to coverage for the higher limits maintained by Contractor.
- b. The insurance shall cover:
  - i. bodily injury, sickness, disease, sustained by any person, including death;
  - ii. property damage, including physical injury to or destruction of tangible property including the resulting loss of use thereof;
  - iii. cleanup costs, and the loss of use of tangible property that has not been physically injured or destroyed including diminution of value and natural resources damages;
  - iv. defense costs, including costs, charges, and expenses incurred in the investigation, adjustment, or defense of claims; and liability assumed by Contractor under a written contract or agreement
- c. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of work.
- d. Insurance shall be continued for one (1) year after completion of the Work. If the insurance is on a Claims-Made basis, the continuation coverage may be provided by: (a) renewal of the existing policy; (b) an extended reporting period endorsement; or (c) replacement insurance with a retroactive date no later than the commencement of the work.
- e. City of Cloverdale and County of Sonoma, their officers, agents and employees, shall be endorsed as additional insureds for liability arising out of ongoing and completed operations by or on behalf of the Contractor in the performance of this Agreement. Additional insured status shall continue for one (1) year after completion of the Work.
- f. The insurance provided to the additional insureds shall apply on a primary and non-contributory basis with respect to any insurance or self-insurance program maintained by them.
- g. The policy shall cover inter-insured suits between the Contractor and the additional insureds and include a “separation of insureds” or “severability” clause which treats each insured separately.
- h. Required Evidence of Insurance:
  - Additional insured endorsement or policy language granting additional insured status;
  - Copy of the endorsement or policy language indicating that Insurance is primary and non-contributory; and
  - Certificate of Insurance including an indication of the coverage basis: occurrence or claims-made. If claims-made, the Certificate shall show the policy retroactive date.

##### 5) **Professional Liability** *(if applicable)*

- a. \$1,000,000 per claim / \$2,000,000 aggregate.
- b. Evidence of Coverage required – Certificate of Insurance.

**6) Commercial Property Insurance / Builder’s Risk**

- a. Property Insurance - replacement cost value property insurance.
- b. Builders Risk Insurance - coverage for the full replacement cost of the construction work.

Evidence of Coverage required - Certificate of insurance or copy of declaration page from City of Cloverdale.