

APPROVED
OCT 18 2017

BOARD REPORT

BOARD OF RECREATION AND PARK COMMISSIONERS NO. 17-219

DATE October 18, 2017

C.D. 8

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: MARTIN LUTHER KING JR. RECREATION CENTER - AGREEMENT WITH THE LOS ANGELES PARKS FOUNDATION FOR THE INSTALLATION OF PARK IMPROVEMENTS FUNDED BY THE AHMANSON FOUNDATION; CATEGORICAL EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO ARTICLE III, SECTION 1, CLASS 11 (3) [PLACEMENT OF MINOR STRUCTURES] OF THE CITY CEQA GUIDELINES

* AP Diaz		V. Israel	_____
R. Barajas	_____	S. Piña-Cortez	_____
H. Fujita	_____	N. Williams	_____



General Manager

Approved Disapproved _____ Withdrawn _____

RECOMMENDATIONS

1. Approve a proposed project at Martin Luther King Jr. Recreation Center (Park) consisting of the installation of outdoor exercise equipment, valued up to approximately Two Hundred Fifty Thousand Dollars (\$250,000.00), through funding secured by the Los Angeles Parks Foundation (LAPF) through a grant from the Ahmanson Foundation;
2. Approve a proposed Gift Agreement (Agreement) with the LAPF, a California non-profit organization, attached hereto at Attachment 1, specifying the terms and conditions for the installation and donation of the outdoor exercise equipment;
3. Find that the proposed Agreement is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 11 (3) of the City CEQA Guidelines, and direct Department of Recreation and Parks (RAP) staff to file a Notice of Exemption;
4. Authorize the RAP Chief Accounting Employee to prepare a check to the Los Angeles County Clerk in the amount of Seventy-Five Dollars (\$75.00) for the purpose of filing a Notice of Exemption;
5. Direct the Board Secretary to transmit the proposed Agreement to the City Attorney for review and approval as to form;
6. Authorize the Board President and Secretary to execute the Agreement upon receipt of the necessary approvals;
7. Authorize RAP Planning, Maintenance and Construction Branch staff, upon approval of the Agreement, to issue a Right of Entry (ROE) permit to its contractors allowing access

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to Martin Luther King Jr. Recreation Center to construct and install the improvements in accordance with the terms and conditions of the proposed Agreement;

8. Upon completion of the improvements, accept them as a gift to the City of Los Angeles (City) from LAPF, subject to post-development inspections by RAP, and authorize that appropriate recognition be given to the Donor.

SUMMARY

Martin Luther King Jr. Recreation Center is located at 3916 South Western Avenue, Los Angeles, California 90062. The Park is in need of various improvements such as outdoor exercise equipment. The LAPF has received a grant in the amount of Two Hundred Fifty Thousand Dollars (\$250,000.00) from the Ahmanson Foundation, for the purchase and installation of desired outdoor exercise equipment at the Park.

RAP will construct and/or install the proposed improvements, estimated in value up to approximately \$250,000.00, pursuant to designs and specifications approved by the Planning, Maintenance, and Construction Branch (PMC), and will use existing vendors and on-call contractors (collectively, "Contractors") currently under contract with RAP. Gametime has been chosen by PMC to be the prime contractor. Contractor's access to the site will be authorized through a right of entry permit issued by PMC. LAPF, as the fiscal recipient of the Ahmanson grant, will make payments directly to the Contractors upon completion of their work, under direction and guidance from PMC staff. The project is anticipated to begin in October 2017, and be completed by the end of the calendar year.

This report provides for the Board's acceptance of the completed improvements as a gift to the City of Los Angeles, subject to the completion of post-development inspections by PMC staff.

ENVIRONMENTAL IMPACT STATEMENT

The proposed project involves a gift agreement for the purchase and installation of outdoor exercise equipment in an existing recreation center. RAP staff recommends that the Board determine that the project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 11 (3) (placement of minor structures) of the City CEQA Guidelines. A Notice of Exemption will be filed with the Los Angeles County Clerk upon approval by the Board.

FISCAL IMPACT STATEMENT:

The installation of the proposed Improvements will not have any fiscal impact on RAP's General Fund, as associated costs will be funded entirely by LAPF through a grant provided by the Ahmanson Foundation.

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This Report was prepared by Joel Alvarez, Senior Management Analyst II, and Raymond Chang, Management Analyst, Partnership Division.

LIST OF ATTACHMENTS

- 1) Proposed Agreement

**AGREEMENT
BETWEEN CITY OF LOS ANGELES
AND
LOS ANGELES PARKS FOUNDATION
FOR THE INSTALLATION OF PARK IMPROVEMENTS
AT
MARTIN LUTHER KING JR. RECREATION CENTER**

This AGREEMENT ("AGREEMENT") is entered into this ____ day of _____ 20____, ("EFFECTIVE DATE"), by and between the City of Los Angeles, a municipal corporation acting by and through its Board of Recreation and Park Commissioners (collectively, "CITY"), and the Los Angeles Parks Foundation ("LAPF"), a California 501(c)(3) non-profit corporation. CITY and LAPF may be referred to herein individually as "PARTY" and/or collectively as "PARTIES."

WHEREAS, CITY, through its Department of Recreation and Parks ("RAP"), owns and operates real property commonly referred to as Martin Luther King Jr. Recreation Center ("PARK"), located at 3916 South Western Avenue, Los Angeles, California 90062; and,

WHEREAS, CITY desires to have various improvements constructed and/or installed at the PARK, generally consisting of the purchase and installation of outdoor exercise equipment (collectively referred to as "IMPROVEMENTS"), pursuant to plans and specifications ("PLANS") approved by RAP's Planning, Maintenance and Construction Branch ("PMC"); and,

WHEREAS, the Ahmanson Foundation wishes to contribute to the local community by providing funding for the construction and installation of the IMPROVEMENTS at the PARK; and,

WHEREAS, LAPF, as fiscal agent for the Ahmanson Foundation, has secured funding in the amount of Two Hundred Fifty Thousand Dollars and No Cents (\$250,000.00), through a grant awarded by the Ahmanson Foundation ("DONOR") to the LAPF to fund the proposed IMPROVEMENTS valued up to \$250,000.00; and,

WHEREAS, RAP has agreed to enter into contracts with licensed contractors and vendors (collectively "CONTRACTORS") for the purchase and construction of the IMPROVEMENTS ("PROJECT"), pursuant to the PLANS approved by PMC; and,

WHEREAS, LAPF has agreed pay such CONTRACTORS directly under guidance and direction from PMC, and donate the completed IMPROVEMENTS as a gift to the CITY ("GIFT"), in accordance with the terms and conditions of this AGREEMENT; and,

WHEREAS, CITY wishes to accept this GIFT upon completion of the IMPROVEMENTS, subject to PMC's performance of a post-development inspection to ensure that the PROJECT was performed in accordance with approved PLANS.

NOW THEREFORE, in consideration of the foregoing and the terms and conditions set forth herein and the performance thereof, PARTIES hereby agree as follows:

Pursuant to this AGREEMENT, LAPF hereby agrees to donate the GIFT to CITY, and CITY hereby agrees to accept such GIFT through its Board of Recreation and Parks Commissioners ("BOARD") at their meeting held on Date (Report No. 17-XXX).

1. PARTIES:

LAPF: Los Angeles Parks Foundation
2650 North Commonwealth Avenue
Los Angeles, CA 90027

CITY: City of Los Angeles
Department of Recreation and Parks
221 North Figueroa Street, 3rd Floor
Los Angeles, CA 90012

2. FUNDING:

Prior to the commencement of any construction activities associated with the PROJECT, LAPF shall confirm to RAP in writing that all necessary funding to ensure the completion of the IMPROVEMENTS has been received by LAPF from DONOR. It is understood that LAPF has been awarded funding in the total amount of \$250,000.00, through a grant provided by DONOR, for purposes of completing the IMPROVEMENTS described herein.

The funding described above shall be used for the GIFT as follows:

- o Purchase and installation of outdoor exercise equipment valued up to \$250,000.00 to be installed at the PARK.

3. TERM AND TERMINATION:

A. The term of this AGREEMENT ("TERM") shall commence upon the date of execution of this AGREEMENT ("EFFECTIVE DATE"). Except for the continuing obligations of CITY set forth in this AGREEMENT, and unless otherwise terminated pursuant to the terms and conditions contained herein, this AGREEMENT shall expire upon completion of the PROJECT, or one year from the EFFECTIVE DATE, which occurs first. Any amendment, extension, or modification to this AGREEMENT shall be executed pursuant to prior approvals by the BOARD and City Attorney.

B. LAPF may terminate this AGREEMENT, in their sole discretion, immediately upon written notice to CITY, and shall not be liable to CITY for any reason for terminating this AGREEMENT if:

1. CITY uses, or authorizes use of the PLANS in any way not authorized under this AGREEMENT;
 2. Construction/installation of IMPROVEMENTS has not begun within six (6) months from the EFFECTIVE DATE due to delays caused directly by CITY;
 3. The land upon which IMPROVEMENTS are to be located is no longer owned or leased by CITY;
 4. The IMPROVEMENTS cease to be operated by CITY, or CITY changes the use of the IMPROVEMENTS from their original intended use.
 5. In the LAPF's sole opinion, IMPROVEMENTS or the activities held thereon, are determined to be harmful, degrading or diluting to the reputation of the LAPF, the LAPF name, or that of their affiliates;
 6. LAPF, prior to the commencement of construction/installation of the IMPROVEMENTS, is unable to obtain all funding required to pay for the completion of the IMPROVEMENTS due to unanticipated change orders or occurrences increasing PROJECT costs beyond available funding; or,
 7. CITY materially breaches any term or condition of this AGREEMENT.
- C. This AGREEMENT shall be terminated if either PARTY ceases to conduct its business or shall make any involuntary assignment of either its assets or its business for the benefit of creditors; or if a trustee or receiver is appointed to administer or conduct the party's business affairs; or, if any insolvency proceedings are conducted against a PARTY and are not terminated or dismissed within forty (40) days, then the other party may terminate this AGREEMENT with immediate effect upon written notice to such PARTY.

4. DEVELOPMENT OF IMPROVEMENTS:

Subject to the termination and other provisions set forth in this AGREEMENT, LAPF agrees to pay all CONTRACTORS directly, as required for the completion of the IMPROVEMENTS.

A. Design and Location:

1. CITY shall prepare or cause to be prepared, and provide the design(s) for the IMPROVEMENTS, included herein as part of the PLANS.
2. IMPROVEMENTS shall be constructed on CITY owned property within the PARK, pursuant to the PLANS provided by PMC, in accordance with the

schematic or rendering of IMPROVEMENTS attached hereto and incorporated herein by reference as Exhibit A.

B. Construction:

1. LAPF shall pay all costs for the construction of IMPROVEMENTS, pursuant to PLANS provided by RAP.
2. RAP shall be the lead agency with respect to construction activities and shall oversee the construction of IMPROVEMENTS, including the completion of environmental clearances and any other permit required by law. All costs and filing of documents required for obtaining said clearances, approvals, and authorizations shall be borne by RAP through funding secured by LAPF from DONOR.

5. POST-CONSTRUCTION:

- A. Upon completion of IMPROVEMENTS, RAP shall conduct a Post-Development Inspection to ensure that the IMPROVEMENTS have been performed pursuant to the approved PLANS, and in compliance with the terms and conditions of this AGREEMENT.
- B. Following RAP's approval and/or acceptance of the completed IMPROVEMENTS, in writing by the RAP General Manager or designee, and subsequent opening of the IMPROVEMENTS to the public, LAPF shall have no involvement with the use, operation, maintenance, landscaping, repair, insurance, or modifications of IMPROVEMENTS.
- C. It is understood by PARTIES that the IMPROVEMENTS shall generally be open to the public free of charge, subject to local rules, regulations, ordinances, and laws which may include provisions related to hours of operation, age limits, acknowledgement of risk by users of IMPROVEMENTS, and the prohibition of alcohol and illegal drugs.
- D. It is also understood by PARTIES that there shall generally be no limit to the use of the IMPROVEMENTS to any select group of persons; however, CITY may issue permit(s) for the use of IMPROVEMENTS by members of a group or organization for limited periods of time.

6. PUBLICITY:

- A. PARTIES shall acknowledge each other, and the DONOR, as co-contributors in written material(s), news releases, and related marketing or publicity materials, including but not limited to, an initial press conference and/or dedication ceremony;

- B. PARTIES agree to assist and cooperate in a mutually acceptable grand-opening and/or dedication event at the IMPROVEMENTS, if determined to be necessary and appropriate;
- C. PARTIES shall have the right to publicize, show photographs of, use the name of, and otherwise promote their respective contributions to the IMPROVEMENTS, including that of the DONOR, subject to the terms and conditions of this AGREEMENT;
- D. CITY and LAPF acknowledges that each of the PARTIES' names, including the DONOR, and other intellectual property of CITY, LAPF, and DONOR, have substantial goodwill. Therefore, CITY further acknowledges and agrees that all use of the LAPF name, and that of the DONOR, shall inure to the sole and exclusive benefit of LAPF, DONOR, and CITY, in accordance with the terms and conditions set forth in this AGREEMENT. Additionally, LAPF further acknowledges and agrees that all use of the CITY name pursuant to this AGREEMENT shall inure to the sole and exclusive benefit of CITY, and LAPF agrees that LAPF and DONOR shall use the CITY name solely in accordance with the terms and conditions set forth in this AGREEMENT.
- E. PARTIES agree to cooperate and coordinate with respect to the nature, text, and timing of any press release or public announcement(s) concerning the existence of the GIFT, the IMPROVEMENTS, and/or this AGREEMENT; the use or promotion of IMPROVEMENTS; except as may be legally required by applicable laws, regulations, or judicial order.
 - (i) PARTIES agree to notify with each other in writing of any press release, public announcement, marketing or promotion of the IMPROVEMENTS. Further, any press release, public announcement, marketing materials, or brochures prepared by any of the PARTIES, shall appropriately acknowledge the contributions of all the PARTIES;
 - (ii) To the extent stipulated in any grant agreement, partnership agreement, donation agreement, or other agreement, PARTIES shall duly notify any grantors, donors, partners or other party, and each other, prior to any public or media event publicizing the accomplishments funded by any grant agreement or other funding source, and shall provide the opportunity for attendance and participation by grantor, donor, partner, or other respective representatives;
 - (iii) PARTIES shall coordinate the scheduling and organization of any public or media event to provide the opportunity for attendance and participation by officials and/or representatives of CITY and LAPF;

including elected officials and public officials. Similarly, any document, written report, or brochure prepared by either CITY or LAPF, in whole or in part, pursuant to the acquisition of property and/or installation of improvements, shall contain any acknowledgements required under any related grant agreement, partnership agreement, donation agreement or other agreement or funding source; and

- (iv) LAPF agrees that any public release or distribution of information related to IMPROVEMENTS, this AGREEMENT, and/or any related project, programs or services, shall include the following statement at the beginning or introduction of such release:

“In collaboration with the City of Los Angeles
Department of Recreation and Parks,”

7. USE OF MARKS:

Notwithstanding any provision herein, neither PARTY shall use the other's trademarks, trade-names or logos (each, a “Mark”) without the prior written approval of the other. Each Mark shall remain the sole and exclusive intellectual property of the respective PARTY.

8. NAME AND LICENSE AND SIGNAGE:

- A. If applicable and when appropriate, the IMPROVEMENTS shall be officially named by RAP, subject to the approval of the BOARD in accordance with RAP policy.
- B. DONOR may be recognized for its generosity through appropriate signage at the IMPROVEMENTS, acknowledging the GIFT, subject to the mutual approval of LAPF and CITY.
- C. CITY shall maintain the right to use the IMPROVEMENTS name in conducting RAP operations and events. For purposes of clarification, CITY shall have no right to use the LAPF or DONOR name in any manner that suggests LAPF is a sponsor or co-sponsor of any daily operations or events at the IMPROVEMENTS to which they are not affiliated or sponsoring. No other company, entity or individual's name shall be used in connection with IMPROVEMENTS during the TERM, without RAP's prior written approval.

9. REPRESENTATIONS AND WARRANTIES:

- A. LAPF represents and warrants that it has the right and power to enter into and perform this AGREEMENT, and to grant the rights granted herein.
- B. CITY represents and warrants that it has the right and power to enter into and perform this AGREEMENT, and that it will comply with all applicable rules, regulations, ordinances and laws related to the use and operation of IMPROVEMENTS and the PARK.

10. INDEMNIFICATION:

Except for the active negligence or willful misconduct of the CITY, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, LAPF undertake(s) and agree(s) to defend, indemnify and hold harmless the CITY and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including LAPF employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by LAPF or its subcontractors of any tier. Rights and remedies available to the CITY under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the CITY.

11. INSURANCE:

A. Insurance by LAPF

LAPF shall be insured as a requirement of this AGREEMENT in the amount coverage(s) specified on Form 146R attached hereto as Exhibit B, and shall additionally insure the City of Los Angeles for the same coverage amounts. LAPF shall maintain during the term of this AGREEMENT evidence of insurance acceptable to City Administrative Officer, Risk Management, prior to LAPF and/or their CONTRACTORS' performance of this AGREEMENT.

B. City Self-Insurance Program

The CITY of Los Angeles is permissively self-insured for Workers' Compensation under California law. LA CITY self-administers, defends,

settles and pays third party claims for injury, death or property damage. Protection under this program is warranted to meet or exceed five million dollars per occurrence.

12. BOOKS AND RECORDS:

LAPF and CITY shall maintain records, including records of financial transactions, pertaining to the performance of this AGREEMENT, in their original form, in accordance with requirements prescribed by CITY and LAPF. These records shall be retained for a period of lesser of three (3) years after termination of this AGREEMENT or ten (10) years from the date of the record.

Said records shall be subject to examination and audit by authorized CITY or LAPF personnel or by their representative(s) at any time during the TERM of this AGREEMENT, or within the three years following the termination date of this AGREEMENT.

13. GENERAL:

- A. Entire Agreement. This AGREEMENT sets forth the entire understanding of the PARTIES hereto, with respect to the subject matter hereof. Except as otherwise expressly set forth in this AGREEMENT, there are no other representations, understandings, or agreements between the PARTIES relative to such subject matter. Any variation or amendment to this AGREEMENT shall be in writing and signed by all PARTIES.
- B. Relationship of Parties. PARTIES agree that no other party shall have any right, power, or authority to assume, create, or incur any expense, liability, or obligation, expressed or implied, on behalf of any other party, except as expressly provided herein. CITY and LAPF are independent contractors.
- C. No Joint Venture. Nothing herein contained shall be construed to place the parties to this AGREEMENT in the relationship of a joint venture, association, partnership, or other form of a business organization or agency relationship. LAPF shall have no power to obligate or bind CITY in any manner whatsoever. Further, under no circumstances will LAPF represent themselves to be agent(s) of the CITY or any of its departments. Nothing in this AGREEMENT may be construed to have authorized or vested in LAPF the power to be an agent of the CITY or an actor under the color of law, be it civilly or criminally.
- D. Governance. This AGREEMENT shall be governed by and construed in accordance with the laws of the State of California, without regard to its principles of conflicts of law. PARTIES consent to the sole and exclusive jurisdiction and venue in the Federal or State courts in Los Angeles

County, California, and agree that all disputes based on or arising out of this AGREEMENT shall only be submitted to and determined by said courts, which shall have sole and exclusive jurisdiction.

- E. Notices. Any notices permitted or required to be given under this AGREEMENT shall be sent by courier and addressed to the PARTIES as follows:

CITY: City of Los Angeles
Department of Recreation and Parks
221 N. Figueroa Street, 3rd Floor
Los Angeles, CA 90012

LAPF: Los Angeles Parks Foundation
Attn: Judith Kieffer, Executive Director
Nursery House
2650 North Commonwealth Avenue
Los Angeles, CA 90027

- F. Notices shall be deemed received when delivered by courier. PARTIES may change the person and address to which notice shall be given by giving notice of such change pursuant to the provisions of this AGREEMENT.
- G. No right, obligation, duty, benefit or promise of this Agreement, or any portion thereof, may be assigned by either party without the express written consent of the other party; provided that the LAPF may assign to an affiliate with prior written consent by CITY.
- H. CITY's use of IMPROVEMENTS shall be primary to any other use by any other party, including LAPF.
- I. If any provision of this AGREEMENT is declared or determined to be unlawful, invalid or unconstitutional, that declaration shall not in any manner affect the legality of the remaining provisions, and each provision of this AGREEMENT shall be deemed to be separate and severable from every other provision.
- J. It is the intent of the PARTIES that this AGREEMENT and the contributions contemplated hereby shall, for all purposes, be treated as a charitable contribution made to an organization organized and operated under Section 501 (c)(3) of the Code. It is intended that GIFT made by this AGREEMENT be used exclusively for charitable, religious, scientific or education purpose, as permitted to an organization organized and operated under Section 501 (c)(3) of the Code.

K. The Recitals set forth at the beginning of this AGREEMENT of any matters or facts shall be conclusive proof of the truthfulness thereof and the terms and conditions set forth in the Recitals, if any, shall be deemed a part of this AGREEMENT.

14. INCORPORATION OF DOCUMENTS

The following Exhibits are incorporated by reference:

Exhibit A: Schematic or rendering of Improvements
Exhibit B: Insurance Requirements and Instructions

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the PARTIES have executed this AGREEMENT as of the day and year set forth below.

CITY:

CITY OF LOS ANGELES, a municipal corporation, acting by and through its Board of Recreation and Parks Commissioners

LAPF:

LOS ANGELES PARKS FOUNDATION, a California 501(c)(3) non-profit, corporation

By: _____
President

By: _____

By: _____
Secretary

Title: _____

Date: _____

Date: _____

APPROVED AS TO FORM:

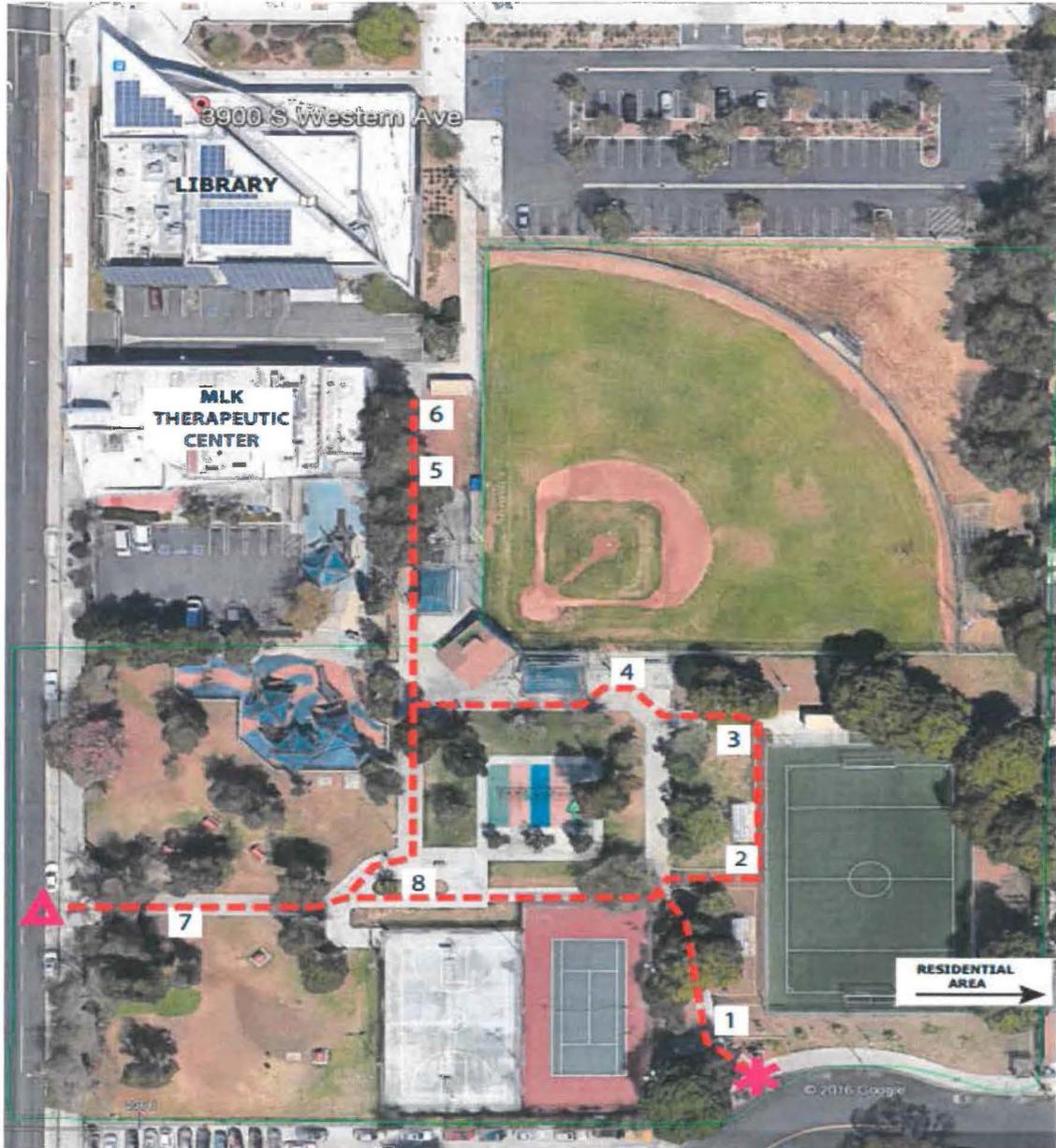
MICHAEL N. FEUER, City Attorney

By: _____
Deputy City Attorney

Date: _____

Exhibit A

Schematic Renderings of Improvements



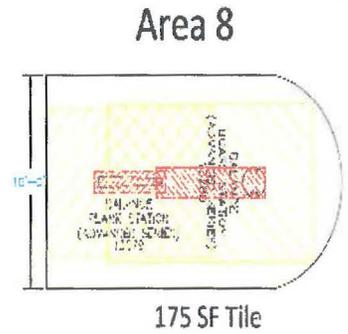
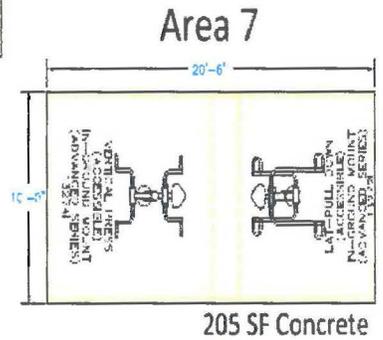
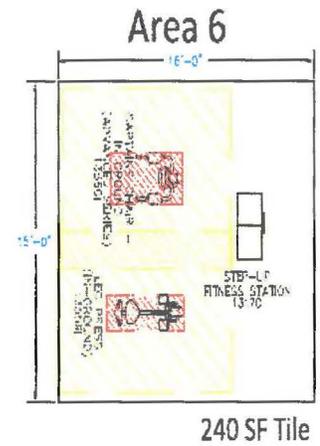
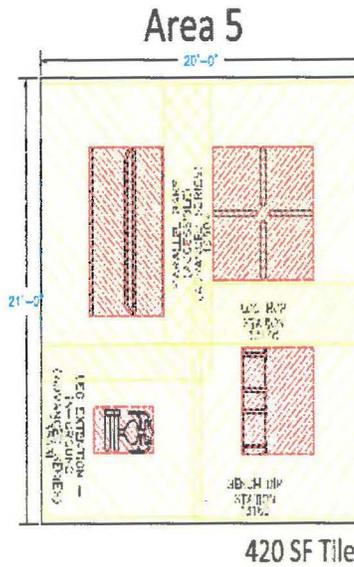
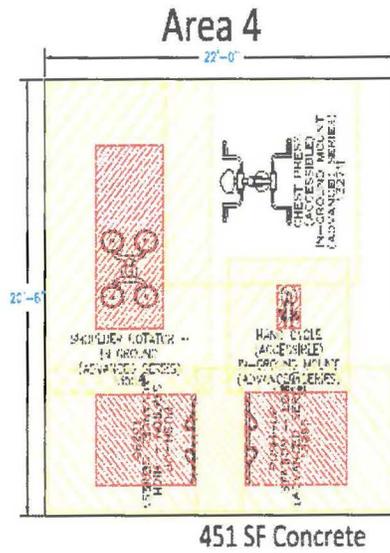
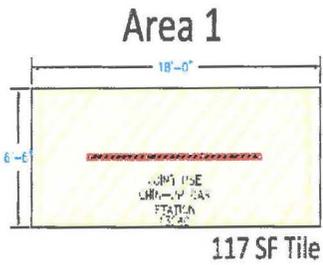
SEE ATTACHED DETAILS FOR INDIVIDUAL EQUIPMENT
LOCATED AT STATIONS 1 - 8



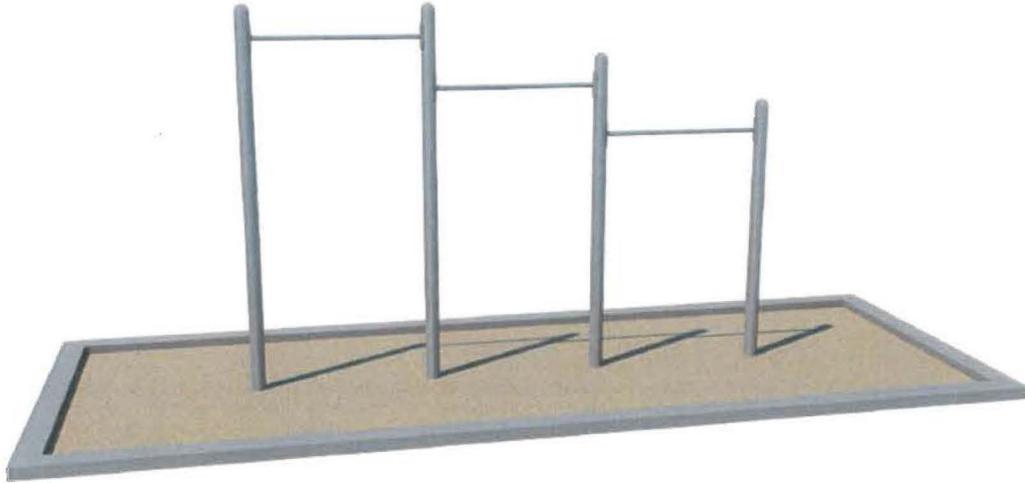
RESIDENTIAL ENTRANCE
WESTERN AVE. ENTRANCE



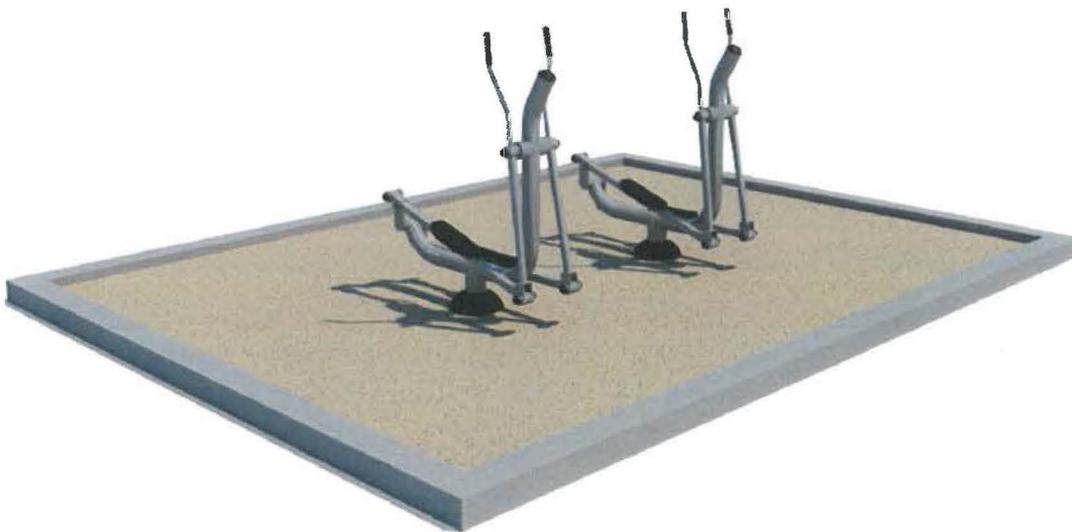
FITNESS CIRCUIT AT MARTIN LUTHER KING JR. THERAPEUTIC CENTER



Area 1



Area 2



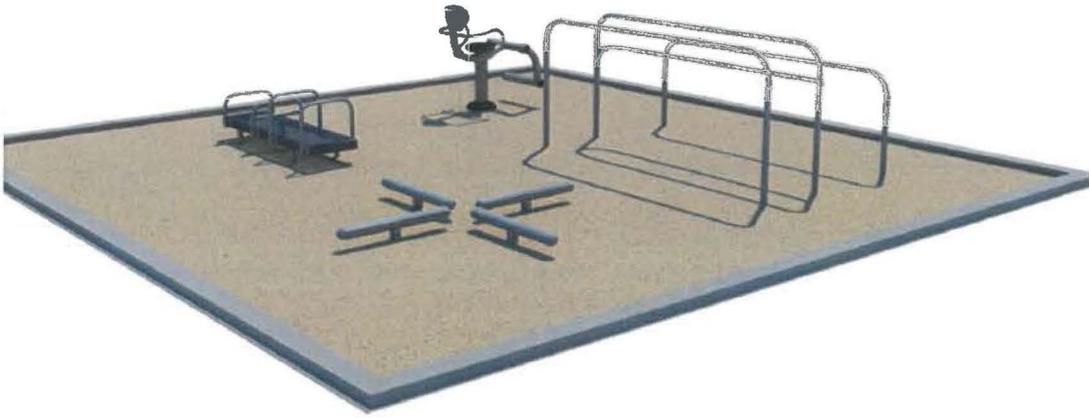
Area 3



Area 4



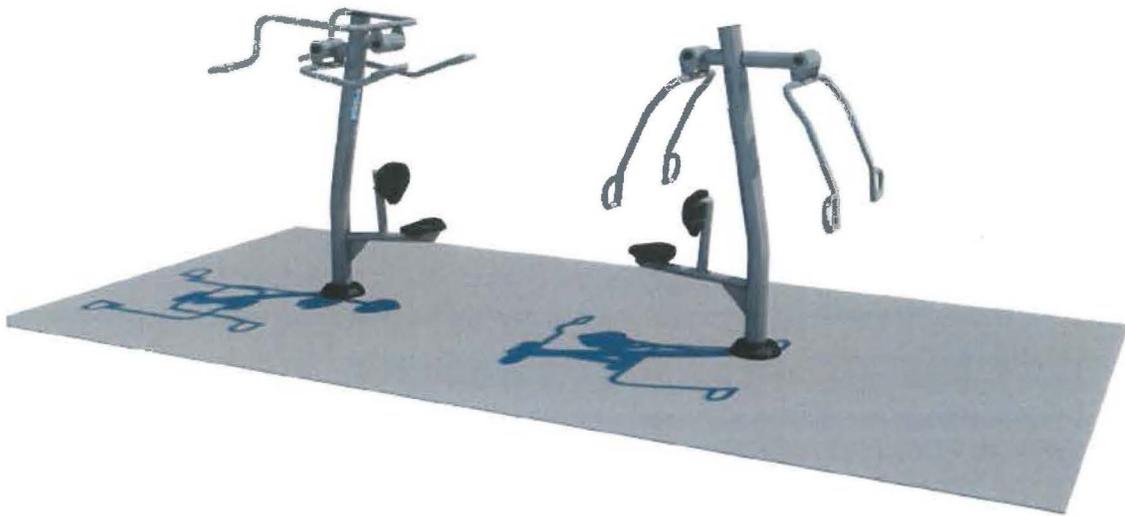
Area 5



Area 6



Area 7



Area 8



Exhibit B

Insurance Requirements and Instructions

Form Gen 146 (Rev. 3/09)

Required Insurance and Minimum Limits

Name: Los Angeles Parks Foundation Date: 09/18/2017

Agreement/Reference: For the installation of Park Improvements at Martin Luther King Jr. Recreation Center, C08
Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL) WC Statutory
EL \$1,000,000
 Waiver of Subrogation in favor of City Longshore & Harbor Workers
 Jones Act

General Liability City of Los Angeles must be named as an Additional Insured \$1,000,000
 Products/Completed Operations Sexual Misconduct
 Fire Legal Liability
 with \$2,000,000 aggregate

Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work) \$1,000,000

Professional Liability (Errors and Omissions) _____
Discovery Period 12 Months After Completion of Work or Date of Termination

Property Insurance (to cover replacement cost of building - as determined by insurance company) _____
 All Risk Coverage Boiler and Machinery
 Flood Builder's Risk
 Earthquake

Pollution Liability _____

Surety Bonds - Performance and Payment (Labor and Materials) Bonds 100% of the contract price

Crime Insurance _____

Other: _____
1) If a contractor has no employees and decides to not cover herself / himself for worker's compensation, please complete the form entitled "Release for Waiver of Workers' Compensation Insurance Requirement" located at <http://cao.lacity.org/risk/InsuranceForms.htm>
2) In the absence of imposed auto liability requirement, all contractors using vehicles during the course of their contract must adhere to the financial responsibility laws of the State of California

CITY OF LOS ANGELES
INSTRUCTIONS AND INFORMATION
ON COMPLYING WITH CITY INSURANCE REQUIREMENTS
(Share this information with your insurance agent or broker.)

1. **Agreement/Reference.** All evidence of insurance must identify the nature of your business with the CITY. Clearly show any assigned number of a bid, contract, lease, permit, etc. or give the project name and the job site or street address to ensure that your submission will be properly credited. Provide the **types of coverage and minimum dollar amounts** specified on the Required Insurance and Minimum Limits sheet (Form Gen. 146) included in your CITY documents.

2. **When to submit.** Normally no work may begin until a CITY insurance certificate approval number ("CA number") has been obtained, so insurance documents should be submitted as early as practicable. For **As-needed Contracts**, insurance need not be submitted until a specific job has been awarded. **Design Professionals** coverage for new construction work may be submitted simultaneously with final plans and drawings, but before construction commences.

3. **Acceptable Evidence and Approval.** Electronic submission is the preferred method of submitting your documents. **Track4LA™** is the CITY's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used primarily by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the **ACORD 25 Certificate of Liability Insurance** in electronic format – the CITY is a licensed redistributor of ACORD forms. Track4LA™ advantages include standardized, universally accepted forms, paperless approval transactions (24 hours, 7 days per week), and security checks and balances. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access **Track4LA™** at <http://track4la.lacity.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf.

Insurance industry certificates other than the ACORD 25 that have been approved by the State of California, may be accepted, however **submissions other than through Track4LA™ will significantly delay the insurance approval process as documents will have to be manually processed.** All Certificates must provide a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) AND an Additional Insured Endorsement naming the CITY an additional insured completed by your insurance company or its designee. If the policy includes an automatic or blanket

additional insured endorsement, the Certificate must state the CITY is an automatic or blanket additional insured. An endorsement naming the CITY an Additional Named Insured and Loss Payee as Its Interests May Appear is required on property policies. All evidence of insurance must be authorized by a person with authority to bind coverage, whether that is the authorized agent/broker or insurance underwriter. Completed **Insurance Industry Certificates other than ACORD 25 Certificates** are sent electronically to CAO.insurance.bonds@lacity.org.

Additional Insured Endorsements DO NOT apply to the following:

- Indication of compliance with statute, such as Workers' Compensation Law.
- Professional Liability insurance.

Verification of approved insurance and bonds may be obtained by checking **Track4LA™**, the CITY's online insurance compliance system, at <http://track4la.lacity.org>.

4. **Renewal.** When an existing policy is renewed, have your insurance broker or agent submit a new Acord 25 Certificate or edit the existing Acord 25 Certificate through **Track4LA™** at <http://track4la.lacity.org>.

5. **Alternative Programs/Self-Insurance.** Risk financing mechanisms such as Risk Retention Groups, Risk Purchasing Groups, off-shore carriers, captive insurance programs and self-insurance programs are subject to separate approval after the CITY has reviewed the relevant audited financial statements. To initiate a review of your program, you should complete the Applicant's Declaration of Self Insurance form (<http://cao.lacity.org/risk/InsuranceForms.htm>) to the Office of the City Administrative Officer, Risk Management for consideration.

6. **General Liability** insurance covering your operations (and products, where applicable) is required whenever the CITY is at risk of third-party claims which may arise out of your work or your presence or special event on City premises. **Sexual Misconduct** coverage is a required coverage when the work performed involves minors. **Fire Legal Liability** is required for persons occupying a portion of CITY premises. (Information on two CITY insurance programs, the SPARTA program, an optional source of low-cost insurance which meets the most minimum requirements, and the Special Events Liability Insurance Program, which provides liability coverage for short-term special events on CITY premises or streets, is available at (www.2sparta.com), or by calling (800) 420-0555.

7. **Automobile Liability** insurance is required only when vehicles are used in performing the work of your Contract or when they are driven off-road on CITY

premises; it is not required for simple commuting unless CITY is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

8. **Errors and Omissions.** Coverage will be specified on a project-by-project basis if you are working as a licensed or other professional. The length of the claims discovery period required will vary with the circumstances of the individual job.

9. **Workers' Compensation and Employer's Liability** insurance are not required for single-person contractors. However, under state law these coverages (or a copy of the state's Consent To Self Insure) must be provided if you have any employees at any time during the period of this contract. Contractors with no employees must complete a Request for Waiver of Workers' Compensation Insurance Requirement (<http://cao.lacity.org/risk/InsuranceForms.htm>). **A Waiver of Subrogation** on the coverage is required only for jobs where your employees are working on CITY premises under hazardous conditions, e.g., uneven terrain, scaffolding, caustic chemicals, toxic materials, power tools, etc. The Waiver of Subrogation waives the insurer's right to recover (from the CITY) any workers' compensation paid to an injured employee of the contractor.

10. **Property Insurance** is required for persons having exclusive use of premises or equipment owned or controlled by the CITY. **Builder's Risk/Course of Construction** is required during construction projects and should include building materials in transit and stored at the project site.

11. **Surety** coverage may be required to guarantee performance of work and payment to vendors and suppliers. A **Crime Policy** may be required to handle CITY funds or securities, and under certain other conditions. **Specialty coverages** may be needed for certain operations. For assistance in obtaining the CITY required bid, performance and payment surety bonds, please see the City of Los Angeles Bond Assistance Program website address at <http://cao.lacity.org/risk/BondAssistanceProgram.pdf> or call (213) 258-3000 for more information