

AGREEMENT BETWEEN THE SEASIDE BASIN WATERMASTER AND MONTEREY PENINSULA WATER MANAGEMENT DISTRICT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is entered into this 18 day of April 2007, by and between Monterey Peninsula Water Management District, hereinafter called "Consultant," and the Seaside Basin Watermaster, hereinafter called "Watermaster" or "Seaside Basin Watermaster."

SECTION I
SCOPE OF SERVICES

Watermaster hereby engages Consultant for the conduct and preparation of certain analyses, studies, and planning procedures as set forth in **Exhibit A**, Scope of Services.

SECTION II
COMPENSATION

A. **Fee Schedule**

Fees payable to Consultant for services specified herein shall be in accordance with the fee schedule in **Exhibit B**.

B. **Method of Payment**

Payment of fees shall be based on work completed, as documented in monthly billings submitted by Consultant. Work reports shall be rendered in accordance with the schedule shown in **Exhibit C**, Work Schedule. Payments are due and payable within thirty (30) days after receipt of each invoice subject to a finding by Watermaster that work performed has been satisfactory and that payment is for the work specified in **Exhibit C**, Work Schedule. Where Watermaster finds the work to be unsatisfactory, Watermaster shall describe deficiencies in writing to Consultant within ten (10) days. Ten percent (10%) of the maximum payment shall be retained until submission of the final work product. The final invoice for work performed shall be submitted not later than sixty (60) days following completion of such work.

C. **Maximum Payment**

Payments to Consultant for services rendered and expenses incurred under this Agreement shall not exceed \$76,080.

SECTION III
INSPECTION OF WORK

Authorized representatives of Watermaster shall have access to Consultant's offices or other work location during normal business hours for the purpose of review and inspection of

work activities undertaken pursuant to this Agreement.

SECTION IV
OWNERSHIP OF PROJECT REPORT AND EQUIPMENT PURCHASED

All original documents, explanations of methods, maps, tables, computer programs, reports and other documents prepared under this Agreement and equipment purchased specifically for the project shall become the exclusive property of Watermaster. Consultant may retain copies for his/her own use.

SECTION V
TIME OF PERFORMANCE

Consultant shall begin work upon the effective date of this Agreement and shall complete all tasks described herein according to the schedule shown in Exhibit C, Work Schedule. Time is of the essence to this Agreement, and failure to comply with this provision shall be a material breach of this Agreement.

SECTION VI
DELAY BEYOND CONSULTANT'S CONTROL

Consultant shall be excused for delay caused by acts or events beyond Consultant's reasonable expectation or control. Consultant shall be entitled to extensions of time for such delay only on written application to Watermaster within ten days after commencement of the delay.

SECTION VII
RESPONSIBILITIES

- A. Consultant represents that he/she has or will secure at his/her own expense all personnel, materials, and related services required to perform the services under this Agreement. Consultant shall act as an independent consultant and not as an agent or employee of Watermaster. Consultant shall have exclusive and complete control over his/her employees and subcontractors, and shall determine the method of performing the services hereunder.
- B. Watermaster shall provide Consultant with all relevant data and studies in its possession without charge.
- C. Consultant and Watermaster staff shall coordinate and arrange for all meetings required to be held with other agencies or persons hereunder, unless otherwise specified in Exhibit A, Scope of Services.

D. Consultant shall be responsible for the reproduction of work produced by Consultant hereunder.

E. The officers, agents, and employees of Watermaster shall cooperate with Consultant in the performance of services under this Agreement without charge to Consultant. Consultant agrees to use such services insofar as feasible in order to effectively discharge his/her obligations hereunder and further agrees to cooperate with Watermaster's officers, agents and employees.

F. The Consultant agrees to indemnify, defend and save harmless Watermaster, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all consultants, subcontractors, materialmen, laborers and any other person, firm or corporation who may be injured or damaged by the willful misconduct or negligent acts, errors, and/or omissions of the Consultant, Consultant's employees, or Consultant's subcontractors or subconsultants in the performance of this Agreement.

SECTION VIII INSURANCE

A. The Consultant shall procure, purchase at his/her expense and maintain in full force and effect such insurance as will protect it from claims, damages, losses, liability, costs, and expenses as set forth herein which may arise out of or result from or in any way connected with the Consultant's activities, work, services, and/or operations performed by the Consultant under this Agreement, whether such activities or operations be by itself or by any subcontractor or by any sub-subcontractor or by anyone directly or indirectly employed by any of them, or by anyone else for whose acts the Consultant or any of them is or may be liable. The procurement and maintenance by the Consultant of policies required under this Contract shall not relieve, limit or satisfy Consultant's obligation to indemnify, defend and save harmless Watermaster, its officers, directors, agents and employees.

B. Consultant represents that he/she will, prior to commencement of work pursuant to this Agreement, name and endorse on to his/her Comprehensive General Liability insurance policy Watermaster as "an insured" with respect to liability arising out of the activities, services, operations or work negligently performed by Consultant for Watermaster (ISO form CG 20 09 11 85 or its equivalence). Consultant shall obtain and keep in full force and effect insurance policies and in appropriate limits as specified by the Insurance Requirements (**Exhibit D**) and shall require any subcontractor or sub-subcontractor to provide evidence of similar liability insurance coverages.

C. Consultant shall add to his/her Comprehensive General Liability insurance policy a severability or interest clause or such similar wording if his/her policy does not automatically have this clause already written into it. Such language shall be similar to: "The insurance afforded applies separately to each insured against whom claim is made or suit is brought, including claims made or suits brought by any person included within the persons insured provision of this insurance against any other such person or organization."

D. All policies carried by Consultant shall contain a provision or be endorsed to state that coverage as respects to Watermaster shall not be suspended, voided, canceled or non-renewed except after the insurance company has given to Watermaster at least forty-five (45) days prior written notice to the address shown below prior to any such termination of coverage becomes effective.

E. Consultant shall, on all policies or coverages required to be carried by Consultant pursuant to this contract, give to Watermaster forty-five (45) days prior written notice by certified mail, return receipt requested, to the address shown below notification of any limitations, reductions or material change in coverage or in limits available.

F. Prior to the execution of the contract, Consultant shall file with Watermaster certificates of insurance of coverage actually in force that is required to be carried by Consultant pursuant to this Section VII and Insurance Requirements (**Exhibit D**). With respect to each renewal or replacement of any such insurance, the requirements of this paragraph must be complied with not less than forty-five (45) days prior to the expiration or cancellation of the policy being renewed or replaced.

G. All insurance policies carried by or available to Consultant shall be primary and not excess nor contributing with any insurance issued to or available to Watermaster. Any insurance or self-insurance maintained or carried by Watermaster shall be excess of the Consultant's insurance and shall not participate in nor contribute with such insurance carried by or available to Consultant. Watermaster will not be responsible for any payment of premiums due as a result of compliance with the terms and conditions of the insurance requirements. The cost of such insurance shall be borne solely by the Consultant.

H. In the event Consultant elects to utilize existing policies to meet insurance requirements specified herein for comprehensive general liability and or professional errors and omissions coverages, Consultant shall provide an accurate history of claims filed against either of those policies during the past twenty-four (24) months along with amounts paid and reserves outstanding.

I. Watermaster shall be under no duty either to ascertain the existence of or to examine such insurance policies or to advise Consultant in the event such insurance coverage does not comply with the requirements hereof. However, Watermaster may, at any time, and from time to time, inspect and copy any and all insurance policies, endorsements, certificates and correspondence required to be carried by Consultant pursuant to this Agreement.

SECTION IX CHANGES AND CHANGED CONDITIONS

If, during the course of the work herein contemplated, the need to change the Scope of Services or the time schedule should arise, for whatever reasons, whichever party first identifies such need to change shall notify the other party in writing (e-mail communication is acceptable). The representatives of the parties shall meet within seven (7) working days of the date of such

notice, to discuss the need for change so identified and to set the proposed action to be taken by the parties. A change in the Scope of Services may also result in a change in the compensation amount. Compensation changes shall be based upon the Consultant Fee Schedule (**Exhibit B**) attached hereto. Any changes agreed to shall be documented by duly executed amendments to this Agreement. Watermaster shall have the right to unilaterally remove any work items in the Scope of Services, after first complying with the notification and meeting requirements described above. Consultant shall not have the right to remove or add work items, except by consent of Watermaster.

SECTION X TERMINATION

Watermaster may terminate Consultant's services at any time by written notice to Consultant at least thirty (30) days prior to such termination. Upon receipt of written notice from Watermaster that this Agreement is terminated, Consultant shall submit an invoice for an amount which represents the value of services actually performed to the date of said notice for which he/she has not previously been compensated. Upon approval of this invoice by Watermaster, Consultant shall be paid from the sum found due after having applied the provisions of Section II, Paragraph D of this Agreement, "Late Performance Penalty," where applicable, and MPWMD shall have no further obligation to Consultant, monetarily or otherwise.

SECTION XI SUB-CONTRACTING AND ASSIGNABILITY

Consultant shall not sub-contract any portion of the work required by this Agreement nor otherwise assign or transfer any interest in it without prior written approval of Watermaster. Watermaster consents to any sub-contracts that are specifically referenced in the exhibits to this Agreement.

SECTION XII DISCRIMINATION AND FAIR EMPLOYMENT

Attention is directed to Section 1735 of the California Labor Code, which reads as follows:

"No discrimination shall be made in the employment of persons upon public works because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons, except as provided in Section 12940 of the government code and every Consultant for public works violating this section is subject to all penalties imposed by a violation of this chapter."

The Consultant shall not willfully discriminate against any employee or applicant for employment for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, martial status, or sex of such persons. The Consultant shall ensure that applicants and employees are treated without regard to their race, religious creed, color, national origin, physical disability, mental disability, medical condition, martial status or sex. Such action shall include, but not be limited to, the following: upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

SECTION XIII INTEREST OF CONSULTANT

Consultant covenants that he/she presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. For breach or violation of this warranty, Watermaster shall have the right to annul this Agreement without liability.

SECTION XIV CONTINGENT FEES

Consultant warrants that he/she has not employed or retained any company or person, other than a bona fide employee working solely for the Consultant to solicit or secure this Agreement, and that he/she has not paid or agreed to pay any company, or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gifts, or other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, Watermaster shall have the right to annul this Agreement without liability, or at its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage, gift or contingent fee.

SECTION XV DISPUTES

In the event of a dispute arising out of the performance of this Agreement either party shall, as soon as a conflict is identified, submit a written statement of the conflict to the other party. Within fifteen (15) working days of receipt of such a statement of conflict, the second party will respond and a meeting will be arranged not more than fifteen (15) working days thereafter to arrive at a negotiated settlement or procedure for settlement. If, within forty (40) working days from the initial filing of a statement of conflict an agreement cannot be reached, it is agreed that the dispute may be resolved in a court of law competent to hear this matter. This Agreement shall be construed in accord with California law and it is agreed that venue shall be in the County of Monterey. The prevailing party shall be awarded costs of suit, and attorneys' fees.

SECTION XVI
NOTICES

All communications to either party by the other shall be deemed given when made in writing and delivered or mailed to such party at its respective address, as follows:

Watermaster: Seaside Basin Watermaster
 2600 Garden Road, Suite 228
 Monterey, CA 93940

Consultant: David Berger, General Manager
 Monterey Peninsula Water Management District
 5 Harris Court, Building G
 PO Box 85
 Monterey, CA 93942-0085

SECTION XVII
AMENDMENTS

This Agreement together with Exhibits A, B, C, and D sets forth the entire understanding of the parties with respect to the subject matter herein. There are no other agreements expressed or implied, oral or written, except as set forth herein. This Agreement may not be amended except upon written amendment, executed by both parties hereto.

SECTION XVIII
ATTACHMENTS

The following exhibits attached hereto and referred to in the preceding sections are, by reference, incorporated herein and made an integral part of this Agreement:

- Exhibit A.** Scope of Services
- Exhibit B.** Consultant Fee Schedule
- Exhibit C.** Work Schedule
- Exhibit D.** Insurance Requirements

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement effective as of the day and year first above written.


SEASIDE BASIN WATERMASTER

Dated: April 24, 2007

By: 
Dewey Eyans
Watermaster Executive Officer

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

Dated: 5/2/07

By: 
David A. Berger
General Manager

FEDERAL TAX IDENTIFICATION NUMBER 94-2535586

EXHIBIT A

April 11, 2007

For Use by the Seaside Basin Watermaster

**This document contains the MPWMD Scope of Work for Phase 1, as
adapted from**

**IMPLEMENTATION PLAN
SEASIDE BASIN MONITORING AND MANAGEMENT PROGRAM**

March 7, 2007

Presented to:

Seaside Basin Watermaster Board

Appendix A

Seaside Groundwater Basin Management and Monitoring Program

Phase 1

Scope of Work, Schedule and Budget

MANAGEMENT

M.1

Program Administration

M. 1. a.

Program Management Plan

MPWMD will oversee preparation of a Project Management Plan to establish project goals and objectives, project description, scope of work, work breakdown structures, project organization, roles and responsibilities, contract and construction budgets, communications plan, quality plan, document control and data transfer plan, project controls, and billing procedures.

M. 1. b.

Project Budget and Controls

MPWMD will conduct monthly invoicing, maintenance of internal budgets and schedules.

M. 1. c.

Assist with Board and TAC Agendas

MPWMD will closely coordinate with the RBF team, Watermaster staff and Technical Advisory Committee (TAC) representatives to ensure that needed Board and TAC agendas and report items are provided in a timely manner for meeting presentations.

M. 1. d.

Preparation and Attendance of Meetings

The Project will require numerous meetings both internally and with outside governmental agencies and with the public. Appropriate members of the MPWMD will attend the necessary meetings and prepare agendas and meeting minutes to facilitate the meetings. Planning and review meetings are assumed with the Watermaster's technical staff and consultants for a budgeted period of 12 months. High-level meetings to present updates to the Watermaster Board are budgeted for 12 months. At key milestones, additional meetings will be held that are focused on technical issues and key findings.

M. 1. e.

Prepare Board/ TAC Status Updates and Reports

MPWMD will assist RBF team to provide Watermaster with monthly status reports indicating project progress, costs incurred, contract and construction cost trends, and problem identification and resolution. Provide assistance to the TAC in preparing technical summary reports and technical memoranda for the Watermaster Board.

M. 1. f.

Peer Review of Documents and Reports

MPWMD will assist TAC and Watermaster with peer reviews of documents and reports prepared by various Watermaster entities, as requested.

M. 1. g.

QA/QC

MPWMD will provide quality control and assurance for all program administration materials generated under the program.

Deliverables

- Project Management Plan
- Monthly Status Reports
- Technical Data as required for Meetings

IMPLEMENTATION

I. 1.

Monitor Well Construction

I. 1. a.

Coordination with Monitor Well Implementation Program

MPWMD, in consultation with the RBF team, will provide guidance and assistance to Martin Feeny on development of Monitoring Well Construction Program.

I. 2

Comprehensive Basin Production, Water Level and Water Quality Monitoring Program

Consolidated Seaside Basin Groundwater Resources Database

Groundwater resource monitoring within the Seaside Basin is currently being conducted by numerous entities. The programs consist of:

- Groundwater Production Monitoring;
- Groundwater Level Monitoring;
- Groundwater Quality Monitoring;
- Surface Water Monitoring; and
- Precipitation Monitoring;

For successful implementation of the Seaside Basin Monitoring Program, pertinent historical basic groundwater resource data obtained from the above-mentioned programs needs to be consolidated into a database to allow more efficient organization and data retrieval. The consolidated database will allow for simple identification of differences and discrepancies of datasets compiled by the numerous entities. Data gaps will become evident as well. In addition, the consolidated database needs to allow pertinent groundwater data to be efficiently organized, managed and housed in a single location to facilitate:

- Ongoing data collection;
- Data storage and retrieval;
- Distribution of basic data to Watermaster members and interested parties; and,
- Preparation of annual and periodic reports to the Watermaster.

Characteristics of both existing wells and wells proposed as part of the Seaside Basin Monitoring Program will be notated in the database, including type, location, construction details and other pertinent information. MPWMD already maintains a groundwater database that contains some of the features described above. The consulting team will determine if the MPWMD database should be expanded or if a new database should be created. Assist the Watermaster in the review of the existing MPWMD groundwater database to help determine whether it is feasible and economical to incorporate both the historical data and the ongoing data to be collected as part of the Seaside Basin Monitoring Program.

Coordination with the Watermaster is required in order to verify the adequacy of the existing database and ensure data requirements are met. Completion of the enhancement or development of a consolidated database will allow the review of the available groundwater resource data to determine discrepancies, differences, or data gaps.

Monitoring of Production Wells

As defined in Section D-5, Monitoring of Production Wells, of the RFP, the data to be collected by each owner and/or operator of inactive and active wells in the Basin shall be forwarded to the Watermaster for inclusion into the consolidated database.

I. 2. a. Basin Management Database Development

I. 2. a. 1. Coordination with Watermaster to Review Database

MPWMD will jointly meet with the RBF team on review of existing databases and initial development of Watermaster Database.

I. 2. a. 3. Create Basin Management Database

Under general direction and guidance from the MPWMD to the RBF team, the Watermaster database will be formatted and generated to complement the features of the MPWMD's existing water resources database.

I. 2. a. 5. Conduct ongoing data entry/ database maintenance

Under general direction and guidance from the MPWMD to the RBF team, all newly-acquired data will be added to the Watermaster database as it becomes available, and any appropriate database structure modifications will be made as needed.

I. 2. b. Data Exchange and Collection

Incorporate ongoing groundwater monitoring data into the consolidated groundwater resource database. This will include the following subtasks:

I. 2. b. 1. Establish Agreements and Schedule

MPWMD and RBF teams will closely coordinate to establish agreements and schedules for ensuring that all materials for Watermaster database development and ongoing maintenance are provided in an organized and timely manner for use by the Watermaster.

I. 2. b. 2. Establish Data Types,

MPWMD and RBF teams will closely coordinate to establish mutually acceptable data types and formats, which will provide the optimal benefit to the

--

Formats

Watermaster for its recordkeeping and reporting purposes.

**I. 2. c.
Develop Data Archiving
Procedures**

MPWMD will work jointly with the RBF team to identify procedures for archiving collected field and electronic data.

**I. 2. d.
Develop Data QA/QC
Procedures**

MPWMD will work jointly with the RBF team to identify procedures for routine Quality Assurance/Quality Control of data collection program.

**I. 2. g.
Enhanced Monitoring Well
Network Evaluation**

MPWMD will provide oversight and key documentation to the RBF team to evaluate existing inactive production wells for possible inclusion with the existing and new monitoring well network. This work will include contribution to and critical review of the summary technical memorandum for this element.

**I. 3
Basin Management**

**I. 3. a.
Supplemental Water Supplies**

MPWMD will provide input and technical assistance for the RBF team to conduct a brief review of supplemental water supplies as warranted throughout the initial phase of the program. The effort devoted to this task is anticipated to increase once the consolidated database is developed and existing data are analyzed.

SERVICES NOT INCLUDED

In addition to the above, other services may be required to carry out the Phase 1 portion of the SBMMP. The MPWMD services do not include administration, management or technical services that are outside the scope and tasks described herein.



EXHIBIT B

Seaside Basin Monitoring and Management Program

PHASE 1 BUDGET SUMMARY

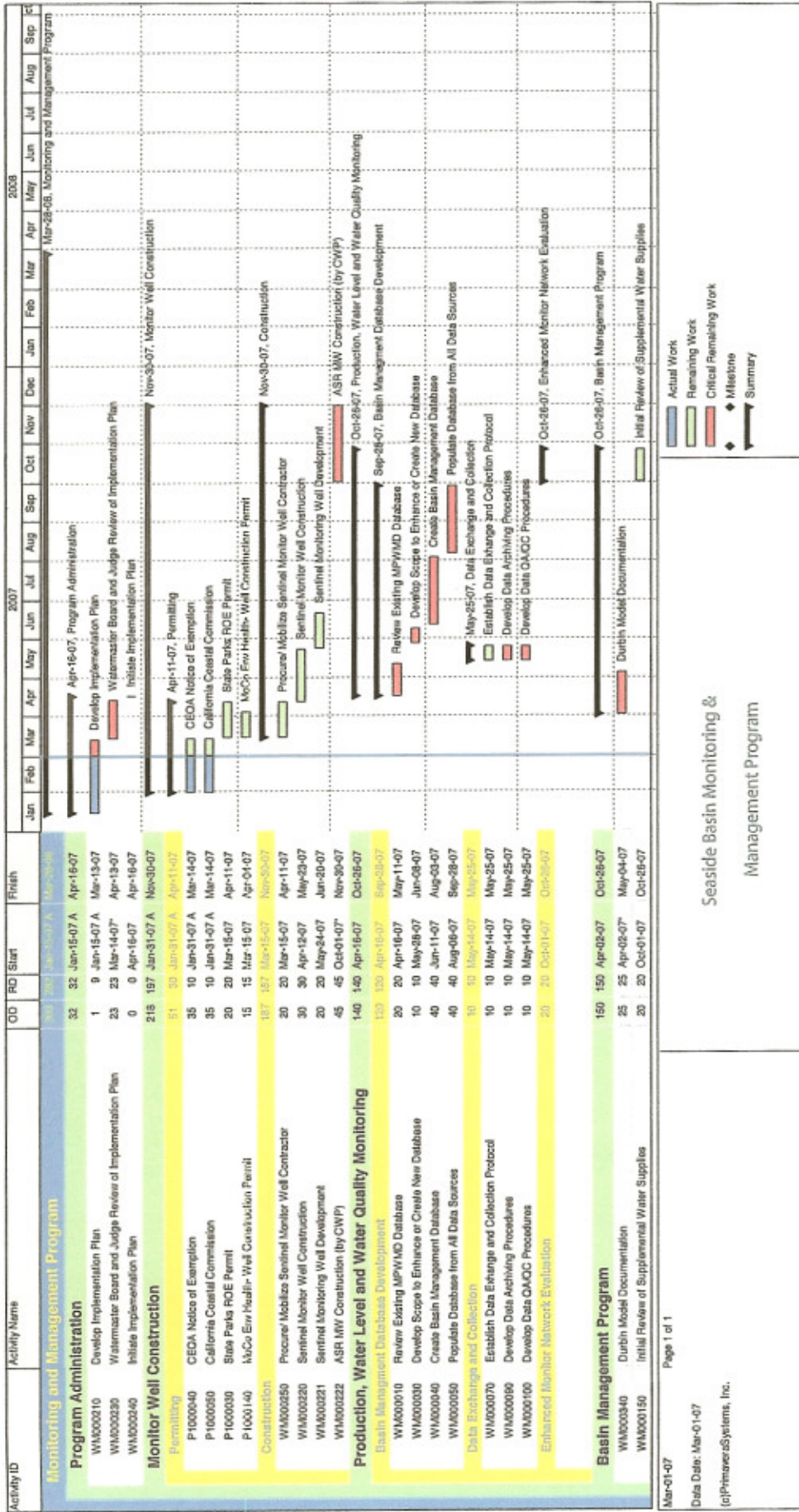
Item	MPWMD
Labor Costs*	
M.1 Program Administration	\$24,552
I.1 Monitor Well Construction	\$3,168
I.2 Production, Water Level and Quality Monitoring	\$21,280
I.3 Basin Management	\$3,280
I.4 Seawater Intrusion Contingency Plan	
<i>Subtotal</i>	\$52,280
Direct Costs MPWMD	
Database Server (MPWMD)	\$4,200
Data Archiving Hardware (MPWMD)	\$3,600
Water Quality Sampling Services (MPWMD)	\$16,000
<i>Subtotal</i>	\$23,800
TOTAL	\$76,080

**Seaside Basin Monitoring and Management Program
Proposed Scope and Labor Budget
Task Description**

		MPWMD		
Task No.		Hours	Rate	Subtotal
VI. 1 Program Administration				
M. 1. a.	Program Management Plan	24	\$ 99	\$ 2,376
M. 1. b.	Project Budgets and Controls	16	\$ 99	\$ 1,584
M. 1. c.	Assist with Board and TAC Agendas	48	\$ 99	\$ 4,752
M. 1. d.	Preparation and Attendance of Meetings	60	\$ 99	\$ 5,940
M. 1. e.	Prepare Board/ TAC Status Updates and Reports	12	\$ 99	\$ 1,188
M. 1. f.	Peer Review of Documents and Reports	72	\$ 99	\$ 7,128
M. 1. g.	QA/QC	16	\$ 99	\$ 1,584
<i>Subtotal Program Administration</i>				\$ 24,552
I. 1. Monitor Well Construction				
I. 1. a.	Coordination with Monitor Well Implementation Program	32	\$ 99	\$ 3,168
<i>Subtotal Monitor Well Construction Program</i>				\$ 3,168
I. 2. Production, Water Level and Quality Monitoring				
I. 2. a. Basin Management Database Development				
I. 2. a. 1.	Coordination with Watermaster to Review Database	16	\$ 99	\$ 1,584
I. 2. a. 1. 1	Review of MPWMD Database to Catalog Historical Data			\$ -
I. 2. a. 1. 2	Review of MPWMD Database to Catalog Ongoing Data Collection			\$ -
I. 2. a. 2.	Develop Scope to Enhance or Develop New Database			\$ -
	Database Server Purchase			\$ -
	Database Archiving Software Purchase			\$ -
I. 2. a. 3.	Create Basin Management Database	40	\$ 67	\$ 2,680
I. 2. a. 4.	Populate Database with Data from all sources			\$ -
I. 2. a. 5.	Conduct ongoing data entry/ database maintenance	32	\$ 69	\$ 2,208
I. 2. b. Data Exchange and Collection				
I. 2. b. 1.	Establish Agreements and Schedule	12	\$ 94	\$ 1,128
I. 2. b. 2.	Establish Data Types, Formats	60	\$ 94	\$ 5,640
I. 2. c.	Develop Data Archiving Procedures	60	\$ 94	\$ 5,640
I. 2. d.	Develop Data QA/QC Procedures	24	\$ 67	\$ 1,608
I. 2. e.	Enhanced Monitor Network Evaluation	8	\$ 99	\$ 792
I. 2. e. 1.	Key Laguna Seca Subbasin Locations			\$ -
I. 2. e. 2.	Key S-Coastal Subbasin Locations			\$ -
I. 2. e. 3.	Summary Technical Memorandum with Recommendations			\$ -
I. 2. f.	Laguna Seca Water Quality Investigation			\$ -
<i>Subtotal Production, Water Level and Water Quality Monitor Program</i>				\$ 21,280
I. 3. Basin Management				
I. 3. a.	Supplemental Water Supplies	40	\$ 82	\$ 3,280
I. 3. b.	Durbin Model Development			\$ -
<i>Subtotal Basin Management Program</i>				\$ 3,280
Total				\$ 52,280

Notes: x- indicates work performed by
M- indicates Management
I- indicates Implementation

EXHIBIT C



Seaside Basin Monitoring & Management Program

Actual Work
 Remaining Work
 Critical Remaining Work
 Milestone
 Summary

EXHIBIT D

INSURANCE REQUIREMENTS

- I. Consultant shall provide evidence of valid and collectible insurance carried for those exposures indicated by an "X".
 - A. Professional Liability Errors & Omissions
 - B. Workers Compensation and Employers Liability
 - C. Automobile Liability – "Any Auto – Symbol 1"
 - D. Comprehensive General Liability, including Bodily Injury, Property Damage and Personal Injury
 - E. Owners & Contractors Protective
 - F. Protection & Indemnity (Marine/Aviation)

- II. The minimum limit of protection provided by insurance policies for each of the coverages listed above shall be not less than \$1,000,000. The procurement and maintenance by the Consultant of the policies required to be obtained and maintained by Consultant under this contract shall not relieve or satisfy Consultant's obligation to indemnify, defend and save harmless the Seaside Basin Watermaster.

- III. Evidence of insurance carried shall be certificates of insurance for the current policies. The Seaside Basin Watermaster shall be listed as a certificate holder on the Consultant's Comprehensive General Liability insurance policy, and the policy must be endorsed to provide a forty-five (45) day prior written notice of cancellation.

- IV. The Seaside Basin Watermaster requires that all Consultants carry a commercial liability policy written on a broad comprehensive general liability form.
 - A. Such protection is to include coverage for the following hazards, indicated by an "X":
 1. Premises and Operations
 2. Products and Completed Operations
 3. Explosion Collapse and Underground
 4. Broad Form Blanket Contractual
 5. Broad Form Property Damage
 6. Personal Injury, A, B and C
 7. Employees named as Persons Insured
 8. Protective and/or Contingent Liability (O&CP)

 - B. The "Persons Insured" provision on each comprehensive general liability policy shall include as an insured the "Seaside Basin Watermaster, its officers, directors, agents and employees."

 - C. This policy shall contain a severability of interest clause or similar language to the following:

"The insurance afforded applies separately to each insured against whom claim is made or suit is brought including claims made or suits brought by any

EXHIBIT D

persons included within the persons insured provision of the insurance against any other such person or organization.”

- D. All policies shall contain a provision that the insurance company shall give the Watermaster at least forty-five (45) days prior written notice mailed to the address shown below prior to any cancellation, lapse or non-renewal. The 45-day written notice must be shown on all certificates of insurance.
 - E. Certificates of insurance for the current policies shall be delivered by the Consultant to the Watermaster Executive Officer as verification that terms A, B, C and D have been met.
- V. All insurance correspondence, certificates, binders, etc., shall be mailed to:
- Seaside Basin Watermaster
2600 Garden Road, Suite 228
Monterey, CA 93940
- VI. All policies carried by the Consultant shall be primary coverage to any and all other policies that may be in force. The Watermaster shall not be responsible for payment of premiums due as a result of compliance with the terms and conditions of the insurance requirements.
 - VII. All such policies of insurance shall be issued by domestic United States insurance companies with general policy holders' rating of not less than "B" and admitted to do business in the State of California. The policies of insurance so carried shall be carried and maintained throughout the term of this contract.