

COTTONWOOD HEIGHTS
COMMUNITY DEVELOPMENT AND RENEWAL AGENCY

RESOLUTION No. 2023-04

A RESOLUTION APPROVING AN INDEPENDENT CONTRACTOR AGREEMENT
WITH K&R PREMIER PROPERTY MANAGEMENT FOR
PROPERTY MANAGEMENT OF HILLSIDE PLAZA

WHEREAS, the Community Development and Renewal Agency (the “*Agency*”) of the city of Cottonwood Heights (the “*City*”) was created to transact the business and exercise all of the powers provided for in the Limited Purpose Local Government Entities - Community Reinvestment Agency Act (Title 17C, Chapters 1 through 5, UTAH CODE ANNOTATED (1953 as amended) and any subsequent, replacement or amended law or act (the “*Act*”); and

WHEREAS, Agency owns the so-called Hillside Plaza Shopping Center, consisting of approximately ten acres of improved realty located at 2330 East Fort Union Blvd., Cottonwood Heights, Utah (the “*Project*”); and

WHEREAS, although Agency intends to redevelop the entire Project in the coming years, until such redevelopment occurs there is a need to maintain the Project and manage the Project’s current tenants until their leases expire or are terminated; and

WHEREAS, Agency therefore recently issued a request for proposals (the “*RPF*”) soliciting proposals from various independent contractors to provide such property management services; and

WHEREAS, after reviewing the proposals submitted in response to the RFP, Agency desires to engage K&R Premier Property Management (“*Contractor*”) to provide the subject services on the terms and conditions specified in the independent contractor agreement (the “*Agreement*”) attached as an exhibit hereto; and

WHEREAS, the Agency’s governing board (the “*Board*”) met on 11 July 2023 to consider, among other things, approving the Agency’s entry into the Agreement; and

WHEREAS, after careful consideration, the Board has determined that it is in the best interests of the Agency to approve the Agency’s entry into the Agreement as proposed;

NOW, THEREFORE, BE IT RESOLVED by the governing board of the Cottonwood Heights Community Development and Renewal Agency that the Agreement be, and hereby is, approved, and that the Agency’s chief executive officer and secretary are authorized and directed to execute and deliver the Agreement on behalf of the Agency; and


This Resolution, assigned no. 2023-04, shall take immediate effect following the Agency’s provision of any additional notice(s) or acts as may be required by the Act or other applicable law.

PASSED AND APPROVED effective 11 July 2023.

**COTTONWOOD HEIGHTS COMMUNITY
DEVELOPMENT AND RENEWAL AGENCY**

ATTEST:

By: 
Paula Melgar, Secretary

By: 
Michael T. Weichers, Chairman



VOTING:

Michael T. Weichers	Yea <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
Matt Holton	Yea <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
J. Scott Bracken	Yea <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
Shawn E. Newell	Yea <input type="checkbox"/>	Nay <input type="checkbox"/>
Ellen Birrell	Yea <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>

DEPOSITED in the office of the Secretary of the Cottonwood Heights Community Development and Renewal Agency this 11th day of July 2023.

Independent Contractor Agreement

THIS INDEPENDENT CONTRACTOR AGREEMENT (this “*Agreement*”) is entered into effective 11 July 2023 between the **COTTONWOOD HEIGHTS COMMUNITY DEVELOPMENT AND RENEWAL AGENCY** (“*Agency*”), an agency of the city of Cottonwood Heights, Utah whose address is 2277 East Bengal Blvd., Cottonwood Heights, UT 84121, and **K&R PREMIER PROPERTY MANAGEMENT, LLC**, a Utah limited liability company whose address is 197 North 290 West, Lindon, UT 84042 (“*Contractor*”).

RECITALS:

A. Agency owns the so-called Hillside Plaza Shopping Center, consisting of approximately ten acres of improved realty located at 2330 East Fort Union Blvd., Cottonwood Heights, Utah (the “*Project*”). Most of the Project’s leasable space is vacant, but approximately six premises within the Project remain occupied under current leases with third-party tenants.

B. Although Agency intends to redevelop the entire Project in the coming years (currently estimated to be between two and five years), until such redevelopment occurs there is a need to maintain the Project and manage the Project’s current tenants until their leases expire or are terminated.

C. Consequently, Agency desires to engage an independent contractor to perform the desired maintenance and management services pending redevelopment of the Project, and recently issued a request for proposal (the “*RPF*”) soliciting proposals from various independent contractors to provide such services.

D. On or about 11 May 2023 Contractor, having significant experience and professional expertise in providing services of the type desired by Agency, submitted a proposal (the “*Proposal*”) to Agency detailing the services that Contractor would perform if engaged by Agency. A copy of the Proposal is attached to this Agreement as Exhibit “A.”

E. After reviewing the Proposal, Agency has determined to retain Contractor to provide the subject services.

F. By this Agreement, Agency desires to retain Contractor, and Contractor desires to be retained by Agency, to perform the subject services on the terms and conditions specified herein.

G. The parties intend to identify herein the services to be performed for Agency by Contractor, the basis of compensation for such services, and to otherwise set forth their entire agreement concerning such services. Consequently, this Agreement shall supersede all prior or contemporaneous negotiations and/or agreements, oral and/or written, between the parties concerning the services to be provided under this Agreement.

AGREEMENT:

NOW, THEREFORE, in consideration of the premises, the mutual covenants and undertakings of the parties hereto, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

Section 1. **Engagement of Contractor.** Agency hereby engages Contractor, and Contractor hereby agrees, to perform the Services (defined below) as specified in this Agreement.

Section 2. **Scope of Services.** Contractor shall provide the services to Agency that are described in the RFP, the Proposal, and below (collectively, the “*Scope of Services*”), as well as all ancillary and associated services as may be reasonably necessary or advisable to complement and complete the services described in the Scope of Services (collectively, the “*Services*”), all as contemplated by all applicable legal requirements and best practices. Subject to the foregoing, the Services shall include the following:

(a) **Description.** The Services shall include tenant lease administration, accounts receivable, accounts payable, on-call 24-hour emergency response, building maintenance coordination, monthly reporting, annual budget preparation, annual NNN reconciliation, tenant relations coordination, regular property inspections, and any other services detailed in the RFP or the Proposal, or as may be mutually agreed to by the parties in writing.

(b) **Phases.** The Services shall be divided into the phases, steps and work described in the Scope of Services.

(c) **Public Meetings.** Contractor shall attend such public meetings concerning the Services as Agency reasonably may direct. Agency shall schedule and advertise all public meetings or hearings. Agency may request Contractor to make a presentation concerning the Services at one or more public meetings in order to receive public input and direction from Agency. All reasonable and final adjustments and amendments to the resulting deliverables as directed by Agency will be made by Contractor prior to Contractor’s deemed completion of the Services.

(d) **Schedule.** The Services shall be performed as outlined in the Scope of Services. Contractor shall comply with such performance schedule for the component Services as Agency reasonably may direct upon reasonable prior notice to Contractor.

(e) **Deliverables.** Contractor shall provide all deliverables identified in the Scope of Services as well as such other documentation and deliverables as Agency reasonably may request.

If Contractor believes that any of the aforementioned Services merit payment of any additional fee beyond the Base Fee (defined below), then Contractor shall so inform Agency in advance before undertaking any of such additional services, describing the need for such additional services and the not to exceed cost of providing them. If Agency desires Contractor to proceed with any such additional services, Agency shall so inform Contractor in writing. Contractor may not perform any additional services, or seek compensation therefor, without Agency’s prior written consent.

Section 3. **Fees for Services.** Agency shall pay Contractor for the Services as follows: (a) not to exceed \$2,000 per month for the Services outlined in the Scope of Services (the “*Base Fee*”); and (b) a pre-approved price for any additional related Services under section 2, above, as mutually agreed by Agency and Contractor in advance, in writing, on a case-by-case basis. In that regard, qualified handyman services shall be provided at a rate not to exceed \$95/hour and the cost of Contractor’s management of construction or repair projects authorized by Agency shall be as follows: (x) \$0 to \$10,000, no fee; (y) \$10,000 to \$100,000, 5% of the project cost; and (z) over \$100,000, 3% of the project cost.

Section 4. **Method of Payment.** Each month Contractor shall submit a detailed invoice to Agency setting forth the Services performed during the preceding month. Agency shall pay (or provide a reasoned objection to) the amount set forth in the invoice within 30 days after receipt.

Section 5. **Services Performed in a Professional, Reasonable Manner.** Contractor shall perform the Services in a professional, reasonable, responsive manner in compliance with the Proposal, all laws, and all applicable standards of performance. Subject to the foregoing, the exact nature of how the Services are to be performed and other matters incidental to providing the Services shall remain with Contractor.

Section 6. **Personnel, Equipment and Facilities.** Except as otherwise specified in this Agreement, Contractor shall at its sole cost furnish all supervision, personnel, labor, equipment, materials, supplies, office space, communication facilities, vehicles for transportation and identification cards, and shall obtain all licenses and permits, necessary or incidental to performing any and all of the Services. Contractor shall not use Agency staff to perform the Services in lieu of using Contractor's own staff, nor shall Contractor perform any of the Services on Agency's premises (other than the Project) or utilizing any Agency equipment or supplies; provided, however, that Agency shall endeavor to provide to Contractor any support specified in the Proposal.

Section 7. **Term.** This Agreement shall be effective on the date hereof and shall continue thereafter on a month-to-month basis until the first to occur of (a) 30 June 2028, or (b) it is terminated as provided in Section 10 below.

Section 8. **Assignment and Delegation.** If Contractor chooses to subcontract to one or more third parties any part(s) of the Services, such subcontract shall be at Contractor's own risk and Contractor shall remain fully responsible for the full, timely and proper performance of all the Services.

Section 9. **Independent Contractor Status.** Contractor shall perform the Services as an independent contractor, and all persons employed by Contractor in connection herewith shall be employees or independent contractors of Contractor and not employees of Agency in any respect.

(a) **Control.** Contractor shall have complete control and discretion over all personnel providing Services hereunder.

(b) **Salary and Wages.** Agency shall not have any obligation or liability for the payment of any salaries, wages or other compensation to personnel providing Services hereunder.

(c) **No Employment Benefits.** All personnel providing Services are and shall be and remain Contractor's employees, and shall have no right to any Agency pension, civil service, or any other Agency benefits pursuant to this Agreement or otherwise.

Section 10. **Termination.** Either party may terminate this Agreement, without cause, at any time upon at least 30 days' prior written notice to the other party. Either party also may terminate this Agreement for cause at any time upon at least ten days' prior written notice and opportunity to cure to the defaulting party. Neither party shall have any liability to the other for damages nor other losses because of termination of this Agreement, provided; however, Agency shall pay Contractor all amounts due for actual work performed within the scope of Services before the effective date of the termination, as specified herein.

Section 11. **Indemnification; Insurance.**

(a) **Indemnification.** Contractor shall defend, indemnify, save and hold harmless Agency (including, without limitation, its elected and appointed officers, employees, successors and assigns) from and against any and all demands, liabilities, claims, damages, actions and/or proceedings, in law or equity (including reasonable attorneys' fees and cost of suit), relating to or arising in any way from the Services provided, or to be provided, hereunder. Contractor shall so defend, indemnify, save and hold harmless Agency whether such demands, liabilities, claims, damages, actions and/or proceedings are attributable to the simple negligence, gross negligence, recklessness or intentional misconduct of Contractor (or any officers, employees, agents, subcontractors, etc. of Contractor), or under any other applicable legal theory, and shall be effective whether or not such negligence, recklessness or other misconduct reasonably was foreseeable. Nothing herein shall, however, require Contractor to indemnify as provided in this section with respect to (a) Agency's own negligence or intentional misconduct, or (b) any demand, liability, claim, damage, action and/or proceeding not alleged to relate to the Services provided, or to be provided, by Contractor hereunder.

(b) **Insurance.** Throughout the term of this Agreement Contractor shall at its cost maintain in full force and effect the insurance coverages described in attached Exhibit "B."

Section 12. **Laws and Regulations.** Contractor shall at all times comply with all applicable laws, statutes, rules, regulations, and ordinances, including without limitation, those governing wages, hours, desegregation, employment discrimination, workers' compensation, employer's liability and safety. Contractor shall comply with equal opportunity laws and regulations to the extent that they are applicable.

Section 13. **Non-Exclusive Rights.** Nothing in the Agreement is to be construed as granting to Contractor any exclusive right to perform any or all Services (or similar services) now or hereafter required by Agency.

Section 14. **Conflict Resolution.** Except as otherwise provided for herein, any dispute between the parties regarding the Services which is not disposed of by agreement shall be decided by Agency, which shall provide written notice of the decision to Contractor. Such decision by Agency shall be final unless Contractor, within 30 calendar days after such notice of Agency's decision, provides to Agency a written notice of protest, stating clearly and in detail the basis thereof. Contractor shall continue its performance of this Agreement during such resolution. If the parties do not thereafter agree to a mutually-acceptable resolution, then they shall resolve the dispute pursuant to section 15 below.

Section 15. **Claims and Disputes.** Unresolved claims, disputes and other issues between the parties arising out of or related to this Agreement shall be decided by litigation in the Third Judicial District Court of Salt Lake County, Utah. Unless otherwise terminated pursuant to the provisions hereof or otherwise agreed in writing, Contractor shall continue to perform the Services during any such litigation proceedings and Agency shall continue to make undisputed payments to Contractor in accordance with the terms of this Agreement.

Section 16. **Notices.** Any notice required or permitted to be given hereunder shall be deemed sufficient if given by a communication in writing and shall be deemed to have been received

(a) upon personal delivery or actual receipt thereof, (b) within three days after such notice is deposited in the United States Mail, postage prepaid, and certified and addressed to the parties at their respective addresses set forth above or such other address(es) as may have been previously provided to the other party by notice hereunder, or (c) the next business day after email transmission the recipient party which does not result in an "error" message, addressed to the party as follows: If to Agency, to mjohnson@ch.utah.gov; if to Contractor, to kenny@krhoautah.com. Either party may change its email address upon prior written notice to the other party.

Section 17. **Conflicts; Omissions.** In the event of inconsistencies within or between this Agreement, the Proposal or applicable legal requirements, Contractor shall (a) provide the better quality or greater quantity of Services, or (b) comply with the more beneficial requirements to Agency, either or both in accordance with Agency's interpretation.

Section 18. **Additional Provisions.** The following provisions also are integral to this Agreement:

(a) **Titles and Captions.** All section or subsection titles or captions herein are for convenience only. Such titles and captions shall not be deemed part of this Agreement and shall in no way define, limit, augment, extend or describe the scope, content or intent of any part or parts hereof.

(b) **Pronouns and Plurals.** Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plurals and vice versa.

(c) **Applicable Law.** The provisions of this Agreement shall be governed by and construed in accordance with the laws of the state of Utah.

(d) **Integration.** This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof, and supersedes all prior agreements and understandings pertaining thereto.

(e) **Time.** Time is the essence hereof.

(f) **Survival.** All agreements, covenants, representations and warranties contained herein shall survive the execution of this Agreement and shall continue in full force and effect throughout the term of this Agreement.

(g) **Waiver.** No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such or any other covenant, agreement, term or condition. Any party may, by notice delivered in the manner provided in this Agreement, but shall be under no obligation to, waive any of its rights or any conditions to its obligations hereunder, or any duty, obligation or covenant of any other party. No waiver shall affect or alter the remainder of this Agreement but each and every other covenant, agreement, term and condition hereof shall continue in full force and effect with respect to any other then existing or subsequently occurring breach.

(h) Rights and Remedies. The rights and remedies of the parties hereto shall not be mutually exclusive, and the exercise of one or more of the provisions of this Agreement shall not preclude the exercise of any other provisions hereof.

(i) Severability. If any condition, covenant or other provision hereof is held to be invalid or void, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect any other covenant or condition herein contained. If such condition, covenant or other provision is deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

(j) Litigation. If any action, suit or proceeding is brought by a party hereto with respect to a matter or matters covered by this Agreement, all costs and expenses of the prevailing party incident to such proceeding, including reasonable attorneys' fees, shall be paid by the non-prevailing party.

(k) Exhibits. All exhibits annexed to this Agreement are expressly made a part of this Agreement as though completely set forth herein. All references to this Agreement, either in this Agreement itself or in any of such writings, shall be deemed to refer to and include this Agreement and all such exhibits and writings.

(l) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

(m) Authorizations. Each person signing this Agreement represents and warrants that (s)he is authorized to sign this Agreement for the party indicated.

DATED effective the date first-above written.

AGENCY:

ATTEST:

COTTONWOOD HEIGHTS COMMUNITY DEVELOPMENT AND RENEWAL AGENCY, an agency of the city of Cottonwood Heights, Utah

By: 
Paula Melgar, Secretary



By: 
Tim Tingey, CEO

CONTRACTOR:

K&R PREMIER PROPERTY MANAGEMENT, LLC

By: 
Kenneth G. Wilson, CEO

Exhibit "A" to
Independent Contractor Agreement

(Attach Proposal)



Property Management Service Proposal

Hillside Plaza Property (2330 East Fort Union Boulevard)

Cover Letter

We are excited to apply for the property management services position at Hillside Plaza Property. With our extensive experience in property management, we are confident that we can provide excellent service to your property and ensure that it remains in top condition for your tenants.

As property managers, we understand the importance of providing comprehensive services to ensure the smooth operation of a property. We have extensive experience in fire suppression system maintenance and monitoring, as well as in landscaping maintenance, building maintenance and repairs, snow removal for parking lots, sidewalks, and other public areas, sidewalk maintenance, sweeping, trash removal, and common area lighting. With our expertise in these areas, we are confident that we can provide high-quality services to your property and ensure that it remains in top condition.

Additionally, as the primary point of contact for tenant management, we are highly skilled in handling tenant requests, concerns, and disputes, rent collection and tracking, utility bill repayment, and other tenant-related matters. We are also experienced in the management of leases, subject to approval by the CDRA, and in managing site utility payments. Furthermore, we are adept at key and access management of the site and all tenant spaces, both vacant and occupied.

In our previous roles, we have demonstrated strong communication and organizational skills, as well as the ability to work collaboratively with a team to achieve goals. We are committed to providing exceptional service to both property owners and tenants and are confident that we can do the same for Hillside Plaza Property.

Thank you for considering our application. We look forward to discussing our qualifications further and how we can contribute to the success of your property. Given the high level scope of services requested, we expect the management fee to be around \$2,000 per month. This amount will vary as we proceed in the interview process with the CDRA.

Sincerely,

Kenneth Wilson, CEO K&R Premier

May 11, 2023



Conflict of Interest

As applicants for the property management services position at Hillside Plaza Property, we wanted to disclose that we have no conflicts of interest that may impact our ability to provide fair and unbiased services to the property.

We understand the importance of transparency and integrity in property management, and we want to assure you that we will always act in the best interests of the property and its tenants. We have no personal or financial connections to any individuals or organizations that may have an interest in the property or that may seek to benefit from our services.

Furthermore, we will adhere to all ethical standards and codes of conduct in the property management industry. We will maintain confidentiality regarding all sensitive information related to the property and its tenants, and we will always act in a professional and ethical manner in all of our interactions.

We believe that transparency and honesty are essential to building trust and fostering positive relationships, and we are committed to upholding these values in our work with Hillside Plaza Property.

Thank you for considering our application. We look forward to the opportunity to demonstrate our qualifications and provide exceptional property management services to your community.



Qualifications and Experience

Our company and subconsultants have extensive experience in property management and maintenance. We have provided similar services for numerous properties in the area, including commercial and residential buildings. Our team members are highly skilled and experienced in fire suppression system maintenance and monitoring, landscaping maintenance, building maintenance and repairs, snow removal, sidewalk maintenance, sweeping, trash removal, and common area lighting. We also have a strong background in tenant management, including lease management, rent collection, and dispute resolution.

Overall Capabilities and Experience:

We are a reputable property management company with a proven track record of success. Our team has years of experience providing high-quality services to properties of all types and sizes. We are familiar with the subject property and its unique characteristics, and we are committed to providing customized solutions to meet its specific needs. Our proposed key personnel and support staff are highly qualified and experienced, and we are confident in their ability to provide exceptional services to Hillside Plaza Property.

Current Workload and Resources:

Our company has the necessary facilities, equipment, and resources to successfully maintain the project. We have a team of dedicated professionals who are solely focused on providing property management services, which ensures that we can prioritize the needs of Hillside Plaza Property. We have a proven track record of meeting deadlines and staying within budget constraints, and we are committed to doing the same for this project. We currently have the capacity to take on additional work and are confident in our ability to manage our workload effectively while providing high-quality services to Hillside Plaza Property.

Thank you for considering our proposal. We are excited about the opportunity to work with you and provide exceptional property management services to Hillside Plaza Property.



References

Evergreen Square Commercial Condos
900 S Orem Boulevard
Orem, UT 84057

Our company provides facility management services for this Multi-Unit Commercial Condominium with approximately 30 commercial spaces, which is collectively owned by six unit owners. We offer a comprehensive range of services, including accounting, billing, facility and landscape maintenance, parking lot snow removal, building maintenance, garbage services, budget preparation, tax filing, and responsive communication methods for both owners and tenants within the complex.

We understand the unique needs of commercial property owners and tenants, and we have the experience and expertise to provide customized solutions that meet those needs. Our team of professionals is dedicated to maintaining the property at the highest level of quality, while ensuring the satisfaction of all owners and tenants. We have a proven track record of successful facility management and are committed to delivering exceptional service to the Multi-Unit Commercial Condominium.

Our management style involves all members of our staff to ensure timeliness in responses and follow through for all contracted services and tenant requests.

References are provided if demanded, but we will need to receive permission from the owners/board members first, namely Gary and Jeanette Herbert and the Herbert Family Trust.

Exhibit "B" to Independent Contractor Agreement

Insurance Requirements for Parties Contracting with the Cottonwood Heights Community Development and Renewal Agency

The contracting party shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the contracting party, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the contracting party's bid.

A. MINIMUM LIMITS OF INSURANCE.

The contracting party shall maintain limits no less than:

1. *Professional Liability*: \$2,000,000.00 combined single limit per occurrence for bodily injury, personal injury and property damage, including "tail coverage" for at least one year after completion of all services.

2. *Automobile Liability*: \$2,000,000.00 combined single limit per accident for bodily injury and property damage. "Any Auto" coverage is required.

3. *Worker's Compensation*: Worker's compensation limits as required by applicable law for all employees and other persons.

4. *Commercial General Liability*: \$2,000,000.00 combined single limit per occurrence for personal injury and property damage; \$2,000,000.00 annual aggregate. Broad Form Commercial General Liability is required (ISO 1993 or better). Personal injury, premises-operations, products-completed operation, independent contractors and subcontractors fire legal liability and, when appropriate, coverages for explosion, collapse and underground (XCU) hazards.

5. *Excess Liability*. \$2,000,000.00.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS.

Any deductibles (5% limit), self-insured programs or retentions must be declared to and approved by the Cottonwood Heights Community Development and Renewal Agency (the "CDRA"). At the option of the CDRA, either: the insurer may be required to reduce or eliminate such deductibles or self-insured retentions as respect to the CDRA, its officers, officials and employees; or the contracting party may be required to procure a bond guaranteeing payment of losses and related investigations, claim distribution and defense expenses.

C. NOTICE OF INCIDENT OR ACCIDENT.

The contracting party shall agree to promptly disclose to the CDRA all incidents or occurrences of accident, injury, and/or property damage covered by the insurance policy or policies.

D. OTHER INSURANCE PROVISIONS.

The policies are to contain, or be endorsed to contain, the following provisions:

1. *General Liability and Automobile Liability Coverages.*

(a) The CDRA, its officers, officials, employees and volunteers are to be covered as additional insured as respects: liability arising out of activities performed by or on behalf of the contracting party; premises owned, leased, hired or borrowed by the contracting party. The coverage shall contain no special limitations on the scope of protection afforded to the CDRA, its officers, officials, employees or volunteers.

(b) The contracting party's insurance coverage shall be a primary insurance as respects to the CDRA, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the CDRA, its officers, officials, employees or volunteers shall be in excess of the contracting party's insurance and shall not contribute with it.

(c) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the CDRA, its officers, officials, employees or volunteers.

(d) The contracting party's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respects to the limits of the insurer's liability.

2. *Worker's Compensation and Employer's Liability Coverage.*

The insurer shall agree to waive all rights of subrogation against the CDRA, its officers, officials, employees and volunteers for losses arising from work performed by the contracting party for the CDRA.

3. *All Coverages.*

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice (from the insurer) by certified mail, return receipt requested, has been given to the CDRA.

E. ACCEPTABILITY OF INSURERS.

Insurance is to be placed with insurers with a Bests' rating of no less than A:VII, unless approved by the Manager.

F. VERIFICATION OF COVERAGE.

The contracting party shall furnish the CDRA with certificates of insurance and with original endorsements effecting coverage required by this clause. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms provided before work commences. The CDRA reserves the right to require complete, certified copies of all required insurance policies, with all endorsements, at any time.

G. SUBCONTRACTORS.

The contracting party shall include all subcontractors as insureds under its policy or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.