

**Attachment 1**  
Standard Provisions

**EXPENDITURE OF FUNDS AND ALLOCATION OF FUNDING AMONG BUDGET ITEMS**

The contractor shall expend funds in the manner described in the budget included under the “SCOPE OF CONTRACT” section, above. The allocation of funds among the items in the budget may vary by as much as ten percent without approval by the Executive Officer. Any difference of more than ten percent must be approved in writing by the Executive Officer. The Conservancy may withhold payment for changes in particular budget items which exceed the amount allocated in the approved budget by more than ten percent and which have not received the approval required above. The total amount of this contract may not be increased except by amendment to this contract. Any increase in the funding for any particular budget item shall mean a decrease in the funding for one or more other budget items unless there is a written amendment to this contract.

**INDEMNIFICATION AND HOLD HARMLESS**

The contractor shall be responsible for, indemnify and save harmless the Conservancy, the Ocean Protection Council, and their officers, agents and employees from any and all liabilities, claims, demands, damages, or costs, including without limitation litigation costs and attorneys fees, resulting from or arising out of the willful or negligent acts or omissions of the contractor, its officers, agents, subcontractors and employees, or in any way connected with or incident to this contract, except for the active negligence of the Conservancy, the Ocean Protection Council, and their officers, agents or employees. The duty of the contractor to indemnify and save harmless includes the duty to defend as set forth in Civil Code section 2778.

The contractor waives any and all rights to any type of express or implied indemnity or right of contribution from the State, its officers, agents or employees, for any liability resulting from, growing out of, or in any way connected with or incident to this contract.

## **INSURANCE**

Throughout the term of this contract, the contractor shall procure and maintain insurance, as specified in this section, against claims for injuries to persons or damage to property that may arise from or in connection with any activities by the contractor or its agents, representatives, employees, or subcontractors associated with the project undertaken pursuant to this contract.

1. Minimum Scope of Insurance. Coverage shall be at least as broad as:
  - a. Insurance Services Office (“ISO”) Commercial General Liability coverage (occurrence Form CG 0001) **or** ISO Comprehensive General Liability form (1973) or comparable with Broad Form Comprehensive General Liability endorsement.
  - b. Automobile Liability coverage - ISO Form Number CA 0001, Code 1 (any auto).
  - c. Workers’ Compensation insurance as required by the Labor Code of the State of California.
  
2. Minimum Limits of Insurance. The contractor shall maintain limits no less than:
  - a. General Liability: *(Including operations, products and completed operations, as applicable)* \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to the activities under this contract or the general

aggregate limit shall be twice the required occurrence limit.

b. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

3. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the Executive Officer.
4. Required Provisions. Each insurance policy required by this section shall be endorsed to state that coverage shall not be canceled by either party, except after thirty days' prior written notice by certified mail, return receipt requested, has been given to the Conservancy. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:
  - a. The State of California, its officers, agents and employees are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the contractor; and with respect to liability arising out of work or operations performed by or on behalf of the contractor including materials, parts or equipment furnished in connection with such work or operations.
  - b. For any claims related to this contract, the contractor's insurance coverage shall be primary insurance as respects the State of California, its officers, agents and employees.
  - c. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of section 2782 of the Civil Code.

5. Acceptability of Insurers. Insurance is to be placed with insurers admitted to transact business in the State of California and having a Best's rating of "B+" or better or, in the alternative, acceptable to the Conservancy and approved in writing by the Executive Officer.
6. Subcontractors. The contractor shall include all subcontractors as insureds under its policies or shall require each subcontractor to provide and maintain coverage consistent with the requirements of this section.
7. Premiums and Assessments. The Conservancy is not responsible for premiums and assessments on any insurance policy.
  - d. A copy of the claims reporting requirements must be submitted to the Executive Officer for review.

## **NONDISCRIMINATION**

During the performance of this contract, the contractor and its subcontractors shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, ethnic group identification, physical disability (including HIV and AIDS), mental disability, medical condition, marital status, age (over 40) or sexual orientation (Government Code section 12940). The contractor and its subcontractors also shall not unlawfully deny a request for or take unlawful action against any individual because of the exercise of rights related to family-care leave (Government Code sections 12945.1 and 12945.2). The contractor and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination, harassment and unlawful acts.

Pursuant to Government Code section 12990, the contractor and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900

et seq.) and the applicable regulations (California Code of Regulations, Title 2, section 7285.0 et seq.). The regulations of the Fair Employment and Housing Commission regarding contractor Nondiscrimination and Compliance (Chapter 5 of Division 4 of Title 2 of the California Code of Regulations) are incorporated into this contract by this reference.

The contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. This nondiscrimination clause shall be included in all subcontracts entered into by the contractor to perform work provided for under this contract.

### **NONDISCRIMINATION IN PROVISION OF BENEFITS - DOMESTIC PARTNERS**

The contractor certifies that it is in compliance with Public Contract Code section 10295.3, which prohibits discrimination in the provision of benefits as between the contractor's employees with spouses and its employees with domestic partners and as between the domestic partners of its employees and the spouses of its employees.

### **AUDITS/ACCOUNTING/RECORDS**

The contractor shall maintain financial accounts, documents, and records (collectively, "records") relating to this contract, in accordance with the guidelines of "Generally Accepted Accounting Principles" published by the American Institute of Certified Public Accountants. The records shall include, without limitation, evidence sufficient to reflect properly the amount, receipt, deposit, and disbursement of all funds related to the services that the contractor is providing, and time and effort reports. The contractor shall maintain adequate supporting records in a manner that permits tracing of transactions from the invoices to the accounting records and to the supporting documentation.

The contractor shall retain these records for three years following the date of final disbursement by the Conservancy under this contract, regardless of the termination date. The records shall be subject to examination and audit by the Conservancy and the Bureau of State Audits during this period.

Additionally, the Conservancy, the Ocean Protection Council, and their respective agents may review, obtain, and copy all records relating to performance of the contract. The contractor shall provide the Conservancy, the Ocean Protection Council, and their respective agents with any relevant information requested and shall permit the Conservancy, the Ocean Protection Council, and their agents access to the contractor's premises, upon reasonable notice, during normal business hours, to interview employees and inspect and copy books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this contract and any applicable laws and regulations. The contractor shall maintain these records for a period of three years after final payment under the contract.

If the contractor retains any subcontractors to accomplish any of the work of this contract, the contractor shall first enter into a contract with each subcontractor requiring the subcontractor to meet the terms of this section and to make the terms applicable to all lower-tier subcontractors.

The Conservancy may disallow all or part of the cost of any activity or action that it determines to be not in compliance with the requirements of this contract.

### **INDEPENDENT CONTRACTOR STATUS**

The contractor shall maintain its status as an independent contractor as defined in section 3353 of the California Labor Code. To this end, the contractor shall be under the control of the State, acting through its agent, the Conservancy, but only as to the results of its work and not as to the means by which the results are accomplished.