

**Agreement No. Wxxxx**  
**by and between**  
**West Basin Municipal Water District**  
**and**  
**the Carson Reclamation Authority**  
**for the**  
**Recycled Water System**  
**The District at South Bay Project**

**1. Parties.**

- 1.1 This Agreement is made by and between West Basin Municipal Water District (“**West Basin**”) and the Carson Reclamation Authority (“**CRA**”) for the Construction and Transfer of Ownership of Future Recycled Water Facilities (“**Agreement**”) and is dated effective as of \_\_\_\_\_, 2024. (“**Effective Date**”).
- 1.2 West Basin and CRA shall be the signatories to this Agreement and shall hereinafter collectively be referred to as the “**Parties**.”

**2. Recitals.**

- 2.1 West Basin is a wholesale municipal water agency that provides imported drinking water to seventeen cities and unincorporated areas of Los Angeles County, and also produces five types of recycled water for municipal, commercial, and industrial customers.
- 2.2 West Basin owns and operates several recycled water treatment facilities and a recycled water pipeline distribution system, including portions of which are located on Main Street in the City of Carson, California (“**City**”).
- 2.3 CRA is a joint powers authority comprised of the Community Facilities Districts Nos. 2012-1 and 2012-2 and the Carson Housing Authority.
- 2.4 CRA owns and maintains certain real property consisting of approximately 157 acres and located at 20400 Main Street, City of Carson, California (“**Project Site**”) as shown on **Exhibit A-1** attached hereto and incorporated herein.
- 2.5 CRA is currently designing and proposes to construct certain public infrastructure (including Lenardo Drive and Stamps Road) upon the Project Site, and is coordinating with various developers for the development on portions of the Project Site, and intends to utilize West Basin’s recycled water for purposes of landscape irrigation within the future development.

- 2.6 CRA currently owns and maintains approximately 950 linear feet of a six (6) inch diameter, polyvinyl chloride (PVC) recycled water distribution pipeline (“**Existing Pipeline**”) within the Project Site. The Existing Pipeline is connected to West Basin’s recycled water distribution system (“**West Basin System**”) at the intersection of Lenardo Drive and Main Street in the City, and currently supplies recycled water to two (2) metered connections within the Project Site for temporary dust control and construction uses.
- 2.7 The Parties agree that the construction, operation, maintenance and use of the Existing Pipeline and West Basin System shall be governed by the language set forth in that certain Memorandum of Understanding, Agreement No. W2680 entered into between the Parties (the “**MOU**”) (**Exhibit B**), attached hereto and incorporated herein, regardless of the MOU’s stated expiration date, but only until such a time that the Existing Pipeline ownership is conveyed from CRA to West Basin. The Parties understand and agree that the terms of Section 2.2.4(a) of the MOU may require modifications in the future, and the Parties shall work in good faith with each other to allow for future flexibility as may be required for ongoing construction and operations on the Project Site.
- 2.8 Neither Party possesses a record of the Existing Pipeline’s final approval records, therefore it is unknown whether the Existing Pipeline is in compliance with West Basin’s “Standard Specifications for Recycled Water Pipeline Construction” – 2021 Version (“**Standard Specifications**”) as shown in **Exhibit C** attached hereto and incorporated herein.
- 2.9 West Basin may hire a qualified consultant to conduct visual, sonic, sonar, radar, conductivity, and/or pressure testing(s) as necessary to verify the Existing Pipeline’s integrity and compliance with West Basin’s Standard Specifications (“**Condition Assessment**”) prior to assuming ownership of the Existing Pipeline and incorporating it into West Basin’s recycled water distribution system.
- 2.10 CRA plans to extend the Existing Pipeline by designing and constructing approximately 4,050 linear feet of six inch (6”) diameter distribution pipeline and associated appurtenances (“**Facility(ies)**”), approximately in alignment with Lenardo Drive within the Project Site as shown on the initial draft plans for the Facilities prepared by Michael Baker International, Inc. in **Exhibit A-2**, attached hereto and incorporated herein. The final plans for the Facilities shall be reviewed and approved by West Basin prior to construction (the “**Final Plans**”).
- 2.11 The Parties agree that the Facilities shall be constructed approximately within the alignment of Lenardo Drive, as shown in **Exhibit A-2**, and intend

that the Facilities' alignment shall be designated as a public right-of-way during or after construction of the Facilities.

- 2.12 The Parties agree that all construction, design, permitting, and all other costs or fees related to the construction of the Facilities shall be funded by the CRA.
- 2.13 CRA estimates the time required for the construction of the Facilities to be approximately 60 calendar days and that construction of the Facilities will begin approximately in January 2025 and end approximately in March 2025.
- 2.14 The Parties agree that West Basin shall provide construction inspection services by West Basin contractor(s) to verify the proper construction of the Facilities in accordance with all West Basin's Standard Specifications, and in accordance with all applicable local, state, and federal laws and regulations.
- 2.15 The Parties agree that the estimated cost for West Basin to provide inspection services for the construction of the Facilities and the Condition Assessment is \$58,393.76 ("**Estimated Costs**") as described in **Exhibit D**, attached hereto and incorporated herein.
- 2.16 The Parties agree that CRA shall furnish an up-front payment in the amount of the Estimated Costs to West Basin for the construction inspection services provided by West Basin prior to the initiation of the construction activities for the Facilities.
- 2.17 The Parties agree that, in the event that actual construction inspection costs incurred by West Basin exceed the Estimated Costs, CRA shall reimburse West Basin for all reasonable costs of providing the construction inspection services which are actually incurred by the West Basin (as shown in the documentation establishing the actual costs incurred by West Basin and provided to the CRA), subject to the terms and conditions of this Agreement.
- 2.18 The Parties agree that, in the event that actual construction inspection costs incurred by West Basin are less than the Estimated Costs, West Basin shall reimburse CRA for an amount equal to the Estimated Costs less the amount of actual construction inspection costs incurred by West Basin.
- 2.19 The Parties acknowledge that West Basin's construction inspection contractor(s) shall only be responsible for ensuring that the Facilities are constructed in accordance with West Basin's Standard Specifications, and that West Basin's inspections shall not relieve CRA from any design, construction management, and/or inspection tasks during construction of the Facilities.

- 2.20 CRA intends that the Facilities shall be constructed entirely within uncontaminated cover soil, approximately within the alignment of Lenardo Drive (as shown in **Exhibit A-2**), and that no portion of the Facilities shall be constructed within and/or above the current or former landfill or waste cell(s), as depicted in **Exhibit E**. In the event that any portion of the Facilities are constructed above the landfill or waste cell(s), the Facilities shall be constructed within a Utility Trench with sufficient separation and protections from the landfill or waste cell(s), as shown in **Exhibit F**.
- 2.21 CRA represents and warrants that the Existing Pipeline has been constructed entirely within clean soil within the public right of way, and that no portion of the Existing Pipeline is constructed within and/or above the current or former landfill or waste cell(s).
- 2.22 The Parties agree that CRA shall convey ownership of the Facilities to West Basin upon the successful construction of the Facilities, following verification and acceptance by West Basin that the constructed Facilities meet the Standard Specifications, and following the designation of the Facilities' alignment as within the public right of way.
- 2.23 The Parties agree that CRA shall convey ownership of the Existing Pipeline to West Basin following the designation of the Existing Pipeline alignment as within the public right of way, and final acceptance by West Basin pending a Condition Assessment if required by West Basin.
- 2.24 The Parties agree that upon conveyance of the Existing Pipeline and Facilities from CRA to West Basin, West Basin shall operate, maintain, and repair the Existing Pipeline and Facilities in good condition.
- 2.25 The Parties agree that upon the conveyance of the Facilities from CRA to West Basin, a twelve (12) month Warranty Period ("**Warranty Period**") shall commence, during which time CRA shall be responsible for any Facilities repair costs incurred by West Basin and determined to be caused by construction deficiencies with respect to the Facilities.
- 2.26 In consideration of the foregoing recitals and mutual promises contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CRA and West Basin hereby agree as set forth below.

### **3 Condition Assessment of Existing Pipeline**

- 3.1 West Basin may hire a qualified consultant to conduct a Condition Assessment of the Existing Pipeline, including, but not limited to, visual, sonic, sonar, radar, conductivity, and/or pressure testing(s) as necessary to verify the Existing Pipeline's integrity and compliance with West Basin's Standard Specifications prior to West Basin assuming ownership of the

Existing Pipeline and incorporating it into West Basin's recycled water distribution system.

- 3.2 If any deficiencies are identified in the Existing Pipeline per the Condition Assessment, the CRA will repair or modify the Existing Pipeline at its own expense. All design and construction costs associated with the repair and modification will be at the sole expense of the CRA.
- 3.3 Upon the conveyance of the Facilities from CRA to West Basin, and following the designation of the Existing Pipeline's alignment as within the public right of way, CRA shall also convey to West Basin all of CRA's right, title, and interest in and to the Existing Pipeline.
- 3.4 Upon conveyance of the Existing Pipeline from CRA to West Basin, West Basin shall operate, maintain, and repair the Existing Pipeline in good condition.

#### **4 Construction of Facilities.**

- 4.1 CRA, through its contractors and subcontractors working on the Project Site, shall design and construct the Facilities as shown on **Exhibit A-2**, and in accordance with Final Plans and West Basin's Standard Specifications.
- 4.2 CRA shall be responsible for all costs or fees related to the design and construction of the Facilities.
- 4.3 CRA shall be responsible for all costs or fees incurred due to change orders resulting from Facility design flaws or deficiencies during construction of the Facilities.
- 4.4 CRA shall make available to West Basin all Facility construction documents including, but not limited to, plans, specifications, material testing certifications, and shop drawing submittals.
- 4.5 CRA shall be responsible for operating, repairing and maintaining the Facilities in good condition and at its sole cost and expense until the ownership of the Facilities is conveyed from CRA to West Basin.

#### **5 Inspection of Construction.**

- 5.1 Subject to the terms and conditions of this Agreement, West Basin shall provide inspection services throughout the duration of construction of the Facilities by construction inspection contractor(s) hired by West Basin, for the sole purpose of ensuring that the Facilities are constructed in

accordance with West Basin's Standard Specifications and all applicable federal, state, and local laws, codes, and regulations.

- 5.2 West Basin's provision of inspection services shall not relieve CRA from their own design, inspection, or construction management obligations.
- 5.3 CRA shall allow for West Basin's construction inspector(s) to have access to the Project Site throughout the duration of the Facilities' construction, subject to the terms and conditions of this Agreement.
- 5.4 The Parties acknowledge that West Basin's construction inspector(s) shall only be responsible for verifying, for the sole benefit of West Basin, that the Facilities are constructed in accordance with the design plans, the West Basin's Standard Specifications, and all federal, state, and local laws, codes, and regulations applicable to West Basin's ownership and operation of the Facilities, and that CRA shall be responsible for providing construction inspection services for any other purposes that CRA may require or desire.
- 5.5 CRA shall reimburse West Basin for all construction inspection costs incurred by West Basin pursuant to the terms and conditions of this Agreement.

## **6 Conveyance of Existing Pipeline and Facilities; Warranty by CRA.**

- 6.1 Upon final completion of the Facilities, and contingent upon West Basin's approval that the Facilities are constructed in accordance with the Standard Specifications and all applicable laws, codes, and regulations, and following the designation of the Facilities' alignment as within the public right of way, CRA shall convey to West Basin all of CRA's right, title, and interest in and to the Facilities.
- 6.2 CRA shall not convey to West Basin any of CRA's right, title, and interest in and to the Facilities, nor shall West Basin accept ownership of the Facilities, until the Facilities' alignment is designated as the public right of way.
- 6.3 Upon conveyance of the Existing Pipeline and Facilities from CRA to West Basin, West Basin shall operate, repair, and maintain the Existing Pipeline and Facilities in good condition and repair at its sole cost and expense and in accordance with the terms of the MOU and this Agreement.
- 6.4 During the Warranty Period, the CRA shall be responsible for any Facility repair costs incurred by West Basin and determined to be caused by construction deficiencies with respect to the Facilities. Nothing herein shall relieve West Basin from any other liability it may have under federal, state, or local law to repair any Facilities following expiration of the Warranty Period.

- 6.5 West Basin shall invoice CRA for any Facility repair costs incurred by West Basin during the Warranty Period and determined to be caused by construction deficiencies with respect to the Facilities.
- 6.6 CRA shall reimburse West Basin in a timely manner for any Facility repair costs incurred by West Basin during the Warranty Period and determined to be caused by construction deficiencies with respect to the Facilities.
- 6.7 Upon the expiration of the Warranty Period, West Basin shall release and waive all claims against CRA related to any loss, damages or costs incurred or sustained by West Basin.

## **7 Responsibilities of CRA.**

- 7.1 CRA shall notify West Basin, in writing, a minimum of three (3) weeks prior to construction of the Facilities, and shall provide an updated Facilities' construction schedule. In the event of any changes to the Facility construction schedule, CRA shall notify West Basin in writing as soon as possible.
- 7.2 CRA shall provide West Basin with the final design document(s) for the Facilities together with all associated specification documents for the construction of the Facilities, which shall be signed and sealed by a licensed engineer.
- 7.3 CRA shall be responsible for all permits, shop drawing review submittals, approvals, requests for information, construction management, and administrative management during construction of the Facilities.
- 7.4 Prior to the initiation of any Facility construction activities, CRA shall pay to West Basin the Estimated Costs for construction inspection services.
- 7.5 In the event that actual construction inspection costs incurred by West Basin exceed the Estimated Costs, CRA shall reimburse West Basin within 30 days of receipt of invoice for the remaining balance of construction inspection costs actually incurred by West Basin.
- 7.6 During the Warranty Period, CRA shall be responsible for any Facility repair costs incurred by West Basin that are determined to be caused by construction deficiencies.
- 7.7 CRA shall provide West Basin with digital copies of all approved shop drawings, Computer-Aided Design (CAD) files, and Portable Document Format (PDF) files of signed As-Built documents showing the actual construction of the Facilities.

- 7.8 CRA shall be solely responsible for any liabilities associated with soil contamination during construction of the Facilities and during the future operation, maintenance, and repair of the Facilities by West Basin, unless such liabilities are caused by West Basin or its employees, contractors, or agents on the Project Site.
- 7.9 At all times during which any CRA employees, contractors, agents or representatives have access to the Project Site, CRA shall be responsible for obtaining and maintaining the insurance coverage set forth in **Exhibit G**, attached hereto and incorporated herein, in accordance with the terms and conditions set forth in **Exhibit G (“Insurance Requirements”)**.

## **8 Responsibilities of West Basin.**

- 8.1 West Basin shall be responsible for ensuring that any personnel, employees, or contractors entering the Project Site during construction of the Facilities shall be HAZWOPER (i.e., Hazardous Waste Operations and Emergency Response pursuant to OSHA standard 29 CFR Part 1910.120) trained and certified (**“HAZWOPER Requirement”**), unless the HAZWOPER Requirement is no longer required by the California Department of Toxic Substances Control (**“DTSC”**).
- 8.2 At all times during which any West Basin employees, contractors, agents or representatives have access to the Project Site (including during the period of its inspection of the Facilities), West Basin shall be responsible for obtaining and maintaining the insurance coverage set forth in **Exhibit G**, in accordance with the terms and conditions set forth in the Insurance Requirements.
- 8.3 West Basin shall provide construction inspection services during construction of the Facilities by contractor(s) hired by West Basin, subject to the HAZWOPER Requirement and Insurance Requirements, for the purposes of verifying the proper construction of the Facilities in accordance with West Basin’s Standard Specifications and all applicable local, state, and federal laws, codes, and regulations.
- 8.4 West Basin shall provide CRA with reasonably sufficient documentation of all invoices, receipts, payroll, and other forms of backup documentation necessary to prove the actual costs incurred by the West Basin for construction inspection services.
- 8.5 In the event that West Basin, or its contractors, subcontractors, personnel, or employees encounters any contaminated soil during its inspection and repair of the Facilities or the Existing Pipeline, West Basin shall immediately



stop work, notify the CRA, and comply with any directives of the CRA in compliance with the Project Site-wide health and safety plan.

## **9 Indemnification by West Basin.**

9.1 West Basin shall indemnify, protect, defend with counsel reasonably acceptable to the CRA, and hold harmless the CRA and its officers, employees and agents from and against any and all losses, liabilities, fines, penalties, costs, claims, demands, damages, injuries or judgments arising out of, or resulting from, West Basin's performance of its obligations under this Agreement, except to the extent caused by the CRA's negligence or willful misconduct.

## **10 Indemnification by CRA.**

10.1 The CRA shall indemnify, protect, defend with counsel reasonably acceptable to West Basin, and hold harmless West Basin and its officers, employees and agents from and against any and all losses, liabilities, fines, penalties, costs, claims, demands, damages, injuries or judgments arising out of, or resulting from the CRA's performance of its obligations under this Agreement, except to the extent caused by West Basin's negligence or willful misconduct.

## **11 Miscellaneous.**

11.1 This Agreement and the MOU represent the entire agreement between the CRA and West Basin with respect to the matters set forth in this Agreement and shall not be amended except in a writing signed by both the CRA and West Basin.

11.2 This Agreement shall be binding on and inure to the benefit of the CRA and West Basin and their respective successors and assigns.

11.3 This Agreement does not create a partnership, joint venture, or association between the CRA and West Basin.

11.4 In the event of any dispute or litigation arising out of or relating to this Agreement, the prevailing party shall be entitled to its court costs, and the reasonable fees, expenses and costs of and associated with such prevailing party's attorneys, experts, and other professionals.

11.5 Any failure by a party hereto to enforce any term or condition hereof shall not be deemed to be a waiver by such party hereto to enforce such term of condition during the term of this Agreement.

11.6 The persons executing this Agreement on behalf of the Parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly

authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other agreement to which said party is bound.

- 11.7 This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California.
- 11.8 This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.
- 11.9 The Recitals above are deemed true and correct and are incorporated within this Agreement by this reference.

[Signature Page Follows]

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement on the date and year first-above written.

**WEST BASIN**

**West Basin Municipal Water District**

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

**E.J. Caldwell**, General Manager

APPROVED AS TO FORM:

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

**Best Best and Krieger LLP**, West Basin Counsel

**CRA**

**Carson Reclamation Authority**

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

**John Raymond**, Executive Director

APPROVED AS TO FORM:

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

**Sunny Soltani**, Counsel for the CRA

**EXHIBIT A-1**

**Project Site**



**Exhibit A-2**

**Facility Plans/Description**

[Attached]

**Exhibit B**

**Memorandum of Understanding – W2680**

[Attached]

**Exhibit C**

**Standard Specifications for Recycled Water Pipeline Construction**

**July 2010 Edition**

[Attached]

## **Exhibit D**

### **Estimated Costs**

The Estimated Costs for West Basin to provide inspection services for the construction of the Facilities are based upon the cost proposal received by West Basin from their on-call consultant, AKM Consulting Engineers, on April 26, 2019 for Project Manager and Inspector roles shown in the proposal (attached).

The Estimated Costs are: **\$58,393.76**





**AKM Consulting Engineers**  
553 Wald  
Irvine, CA 92618  
Telephone: 949.753.7333 Facsimile: 949.753.7320  
[www.akmce.com](http://www.akmce.com)

April 26, 2019

**West Basin Municipal Water District**  
17140 South Avalon Blvd., Suite 210  
Carson, CA 90746  
Attn: Mr. Run Chen, PE, PMP (Engineering Supervisor)

**Subject: Proposal for Construction Management Services for Lenardo Drive Recycled Water Main**

Dear Mr. Chen:

AKM is pleased to provide this letter proposal for construction management services for Lenardo Drive recycled water main for West Basin Municipal Water District. We have reviewed the provided RFP, and agree to the provided scope of work in its entirety.

We will provide an inspector for 424 hours (400 hours of construction inspection plus an additional 24 hours for pre-construction and project close-out tasks) at the rate of \$125.66 per our on-call services agreement, as this represents our estimated effort to fully inspect the pipeline construction. Also included is 24 hours of Project Management time at the rate of \$213.08.

In response to Scope of Work Item 1.2 - Condition Assessment, we propose to CCTV the line to inspect its current condition and assess the quality of its installation. The CCTV inspection will be performed by Empire Pipe Cleaning and Equipment under the direction of Mr. Dan Jacobson at a total cost of \$4,000. Due to the angle points present within the first 950 linear feet of the pipeline that has previously installed, our CCTV sub-consultant will require access at 3 angle points which will require the developer to disassemble sections of the pipe at these locations. It is further recommended to first require the developer to perform a hydrostatic test per West Basin's standards, and in the presence of AKM, to determine the existence of any leakage. If the Hydrostatic test fails, West Basin can then decide if it is even necessary to inspect the installed portion of the line further. Following the CCTV inspection and reassembling the pipe at the access points, the line will need to be hydrostatically tested again to verify the reassembly work.

Role	Rate	Hours	Total
Project Manager	\$213.08	24	\$5,113.92
Inspector	\$125.66	424	\$53,279.84
Empire Pipe Cleaning and Equipment			\$4,000.00
Expenses			\$3,000.00
<b>Total</b>			<b>\$65,393.76</b>

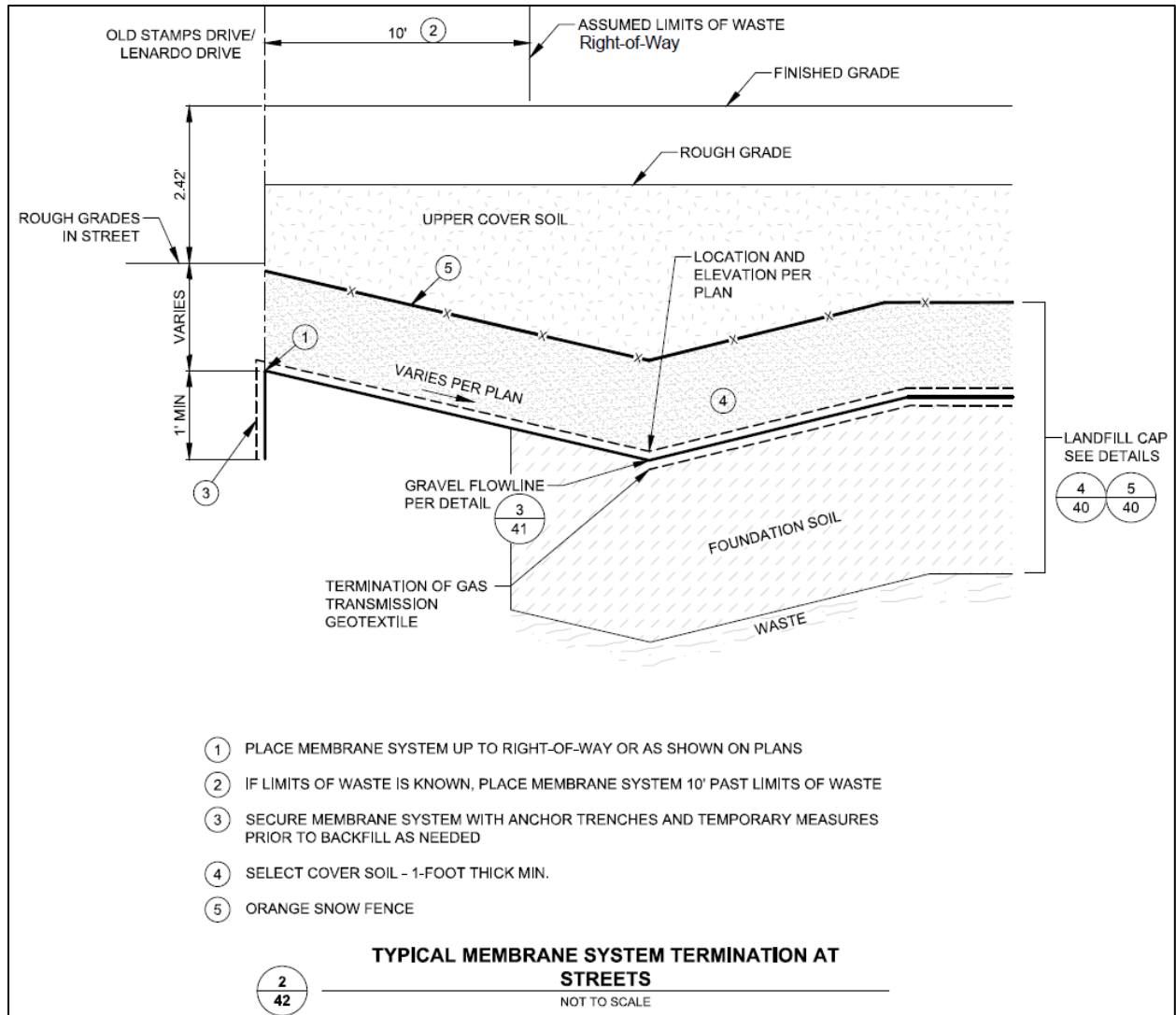
We appreciate the opportunity to submit our proposal and look forward to being of service to the West Basin Municipal Water District on this most important project. Should you have any questions regarding our submittal or require additional information, please do not hesitate to contact the undersigned.

Very truly yours,  
**AKM Consulting Engineers**

  
Emin Kayiran  
Director of Construction Management Services

## Exhibit E

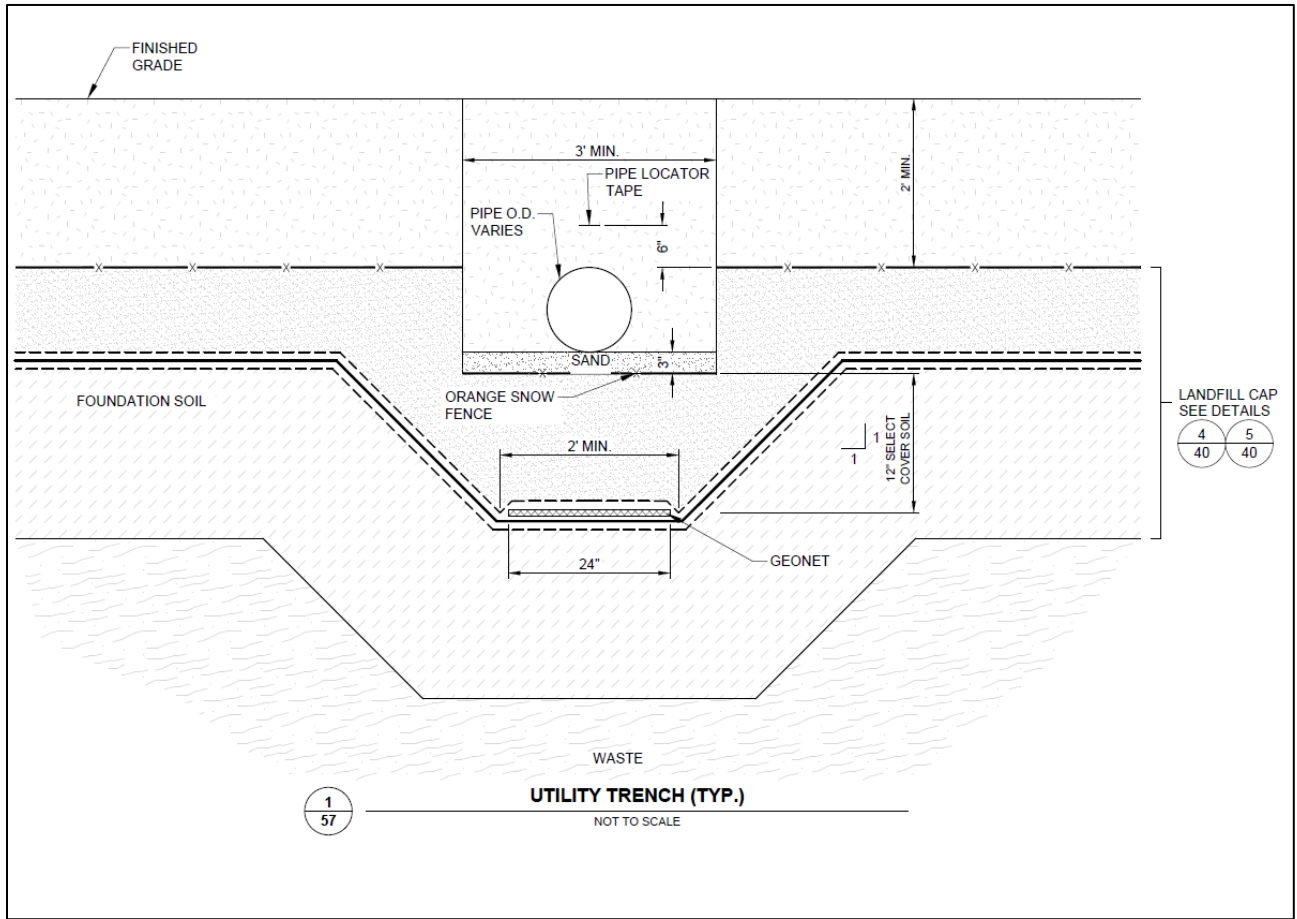
### Typical Membrane System Termination at Streets



- ① PLACE MEMBRANE SYSTEM UP TO RIGHT-OF-WAY OR AS SHOWN ON PLANS
- ② IF LIMITS OF WASTE IS KNOWN, PLACE MEMBRANE SYSTEM 10' PAST LIMITS OF WASTE
- ③ SECURE MEMBRANE SYSTEM WITH ANCHOR TRENCHES AND TEMPORARY MEASURES PRIOR TO BACKFILL AS NEEDED
- ④ SELECT COVER SOIL - 1-FOOT THICK MIN.
- ⑤ ORANGE SNOW FENCE

# Exhibit F

## Typical Utility Trench



## Exhibit G

### Insurance Requirements

#### I. Insurance Requirements for West Basin

**A.** The West Basin and/or its contractors, subcontractors, or representatives performing inspection services or accessing the Project Site shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to the CRA the following policies of insurance which shall cover all elected and appointed officers, employees and agents of the, CRA, City and City's affiliated agencies, as well as the entities set forth in **Exhibit H** attached to this Agreement (all such entities set forth on **Exhibit H**, the "Covered Parties"):

- i. Commercial General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$1,000,000 per occurrence or if a general aggregate limit is used, either the general aggregate limit shall apply separately to this contract/location, or the general aggregate limit shall be twice the occurrence limit.
- ii. Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for West Basin against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by West Basin in the course of carrying out the work or services contemplated in this Agreement.
- iii. Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage with a combined single limit liability of at least \$1,000,000. Said policy shall include coverage for owned, non-owned, leased, hired cars, and any other automobile.

**B.** All of West Basin's contractors / subcontractors shall furnish separate certificates and endorsements. All coverages for contractors / subcontractors shall be subject to all of the requirements stated herein, including expressly, the obligation to name West Basin and the Covered Parties as additional insureds on the policies listed above, with the exception of Worker's Compensation.

**C.** Unless otherwise approved in writing by the CRA, all of the above policies of insurance shall be primary insurance and shall name the Covered Parties, as additional insureds and any insurance maintained by CRA or City and their respective officers,

employees or agents may apply in excess of, and not contribute with West Basin's insurance. West Basin shall ensure that its insurer(s) (and its subcontractor(s) insurer(s)) for all policies of insurance shall waive all rights of subrogation and contribution it/they may have against the Covered Parties, and insurers. The insurance policy must specify that where the primary insured does not satisfy the self-insured retention, any additional insured may satisfy the self-insured retention. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to CRA. In the event any of said policies of insurance are cancelled, West Basin shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Exhibit to the CRA. No work or services or access allowed to the Project Site under this Agreement shall commence until West Basin has provided the CRA with Certificates of Insurance, additional insured endorsement forms or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the CRA. CRA reserves the right to inspect complete, certified copies of and endorsement to all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to CRA.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived in writing by CRA due to unique circumstances.

## **II. Insurance Requirements for Carson Reclamation Authority**

**A.** The CRA and/or its contractors, subcontractors, or representatives performing work pursuant to this Agreement shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to the West Basin the following policies of insurance which shall cover all elected and appointed officers, employees and agents of the West Basin and West Basin's affiliated agencies:

- i. Commercial General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$1,000,000 per occurrence or if a general aggregate limit is used, either the general aggregate limit shall apply separately to this contract/location, or the general aggregate limit shall be twice the occurrence limit.
- ii. Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for CRA against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by West Basin in the course of carrying out the work or services contemplated in this Agreement.

- iii. Automotive Insurance (Form CA 0001 (Ed 1/87) including “any auto” and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage with a combined single limit liability of at least \$1,000,000. Said policy shall include coverage for owned, non-owned, leased, hired cars, and any other automobile.

**B.** All coverages for contractors / subcontractors engaged in construction of the Facilities shall be subject to all of the requirements stated herein, including expressly, the obligation to name CRA as additional insureds on the policies listed above, with the exception of Worker’s Compensation.

**C.** Unless otherwise approved in writing by the West Basin, all of the above policies of insurance shall be primary insurance and shall name West Basin as additional insureds and any insurance maintained by West Basin and their respective officers, employees or agents may apply in excess of, and not contribute with CRA’s insurance. CRA shall ensure that its insurer(s) (and its subcontractor(s) insurer(s), to the extent they are engaged in construction of the Facilities) for all policies of insurance shall waive all rights of subrogation and contribution it/they may have against West Basin, the Covered Parties, and insurers. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to West Basin. In the event any of said policies of insurance are cancelled, CRA shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Exhibit to the West Basin. No work or services or access allowed to the Project Site under this Agreement shall commence until CRA has provided the West Basin with Certificates of Insurance, additional insured endorsement forms or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the West Basin. West Basin reserves the right to inspect complete, certified copies of and endorsement to all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to West Basin.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated “A” or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived in writing by West Basin due to unique circumstances.

## **EXHIBIT H**

### **List of Covered Parties**

1. CAM-Carson LLC
2. SI-Carson LLC
3. Simon Property Group, L.P.
4. Carson Reclamation Authority
5. City of Carson
6. RE Solutions, LLC
7. SL Carson Builders, LLC
8. Community Facilities District No. 2012-1 of the City of Carson
9. Community Facilities District No. 2012-2 of the City of Carson
10. City of Carson Housing Authority
11. Faring Capital, LLC
12. Carson Goose Owner, LLC
13. Carson Mylo Owner, LLC

With respect to each of the above-referenced entities, all owned, managed, controlled, non-controlled and subsidiary companies, corporations, entities, joint ventures, limited liability companies, partnerships, and their constituent partners and members, all lenders for Covered Parties with respect to the Project Site, and ground lessors of the Project Site or improvements thereon, each as indicated by notice from the CRA to West Basin.

Additional buyers/developers for the Project Site may be added from time to time with notice to the West Basin.