

EXHIBIT B-8 (revised)

INSURANCE REQUIREMENTS FOR
AIRCRAFT / AIRPORT OPERATION CONTRACTS

Indemnity

The Contractor shall indemnify, defend, and hold harmless the County of Santa Clara (hereinafter "County"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by Contractor and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the sole negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the County. The Contractor shall reimburse the County for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the Contractor contests its obligation to indemnify, defend and/or hold harmless the County under this Agreement and does not prevail in that contest.

Insurance

Without limiting the Contractor's indemnification of the County, the Contractor shall provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, the following insurance coverages and provisions:

A. Evidence of Coverage

Prior to commencement of this Agreement, the Contractor shall provide a Certificate of Insurance certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, a certified copy of the policy or policies shall be provided by the Contractor upon request.

This verification of coverage shall be sent to the requesting County department, unless otherwise directed. The Contractor shall not receive a Notice to Proceed with the work under the Agreement until it has obtained all insurance required and such insurance has been approved by the County. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

B. Qualifying Insurers

All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- V, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Insurance Manager.

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C. Notice of Cancellation

All coverage as required herein shall not be canceled or changed so as to no longer meet the specified County insurance requirements without 30 days' prior written notice of such cancellation or change being delivered to the County of Santa Clara or their designated agent.

D. Insurance Required

1. For non-aeronautical business located at an airport:

Commercial General Liability insurance - for bodily injury (including death) and property damage which provides limits as follows:

- a. Each occurrence - \$1,000,000
- b. General aggregate - \$2,000,000
- c. Products/Completed Operations aggregate - \$2,000,000
- d. Personal Injury - \$1,000,000

2. For fixed-base operators, flight schools and flying clubs located at an airport:

Airport Liability insurance – for bodily injury (including death) and property damage which provides limits of not less than three million dollars (\$3,000,000) per occurrence, including owned and non-owned aircraft coverage.

3. General liability and airport liability coverage shall include:

- a. Premises and Operations
- b. Products/Completed
- c. Personal Injury liability
- f. Severability of interest

4. General liability and airport liability coverage shall include the following endorsement, a copy of which shall be provided to the County:

Additional Insured Endorsement, which shall read:

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“County of Santa Clara, and members of the Board of Supervisors of the County of Santa Clara, and the officers, agents, and employees of the County of Santa Clara, individually and collectively, as additional insureds.”

Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by the County of Santa Clara, its officers, agents, and employees shall be excess only and not contributing with insurance provided under this policy. Public Entities may also be added to the additional insured endorsement as applicable and the contractor shall be notified by the contracting department of these requirements.

5. Automobile Liability Insurance

For bodily injury (including death) and property damage which provides total limits of not less than one million dollars (\$1,000,000) combined single limit per occurrence applicable to all owned, non-owned and hired vehicles.

5a. Aircraft Liability Insurance

For bodily injury (including death) and property damage which provides total limits of not less than three million dollars (\$3,000,000) combined single limit per occurrence applicable to all owned, non-owned and hired aircraft.

6. Workers' Compensation and Employer's Liability Insurance

- a. Statutory California Workers' Compensation coverage including broad form all-states coverage.
- b. Employer's Liability coverage for not less than one million dollars (\$1,000,000) per occurrence.

7. Hangarkeepers Liability - with a limit of not less than seven hundred fifty thousand dollars (\$750,000) combined single limit (CSL) per occurrence and one million dollars (\$1,000,000) aggregate.

8. Fueling or Refueling Operations - with a limit of not less than three million dollars (\$3,000,000) if such operations are to be conducted by the contractor/permittee.

9. Stand-Alone Pollution Legal Liability Insurance

If lessee chooses to install underground petroleum storage tanks, lessee must demonstrate financial responsibility for taking corrective action and for compensating third parties for bodily injury and property damage caused by accidental releases arising from the operation of underground tanks, in the amount

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of one million (\$1,000,000) dollars per occurrence and one million (\$1,000,000) dollars annual aggregate, in accordance with applicable EPA regulations.

10. Property Insurance

Tenant/Lessee shall maintain not less than fifty thousand dollars (\$50,000) Fire Legal Liability on all real property being leased, including improvements and betterments owned by County, and shall name County as a loss payee. Tenant/Lessee shall also provide fire insurance on all personal property contained within or on the leased premises. The policy shall be written on a standard "all risk" contract, excluding earthquake and flood. The contract shall insure for not less than ninety (90) percent of the actual cash value of the personal property, and Tenant/Lessee shall name County as an additional insured.

11. Interruption of Business Insurance

Lessee shall, at its sole cost and expense, maintain business interruption insurance by which the minimum monthly rent will be paid to Lessor for a period of up to one (1) year if the premises are destroyed or rendered inaccessible by a risk insured against by a policy of standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements

E. Waiver of Subrogation

Except as may be specifically provided for elsewhere in this lease, County and the Tenant/Lessee hereby each mutually waive any and all rights of recovery from the other in event of damage to the premises or property of either caused by acts of God, perils of fire, lightning, and all other all-risk perils as defined in insurance policies and forms approved for use in the state of California. Each party shall obtain any special endorsements, if required by their insurer, to evidence compliance with the aforementioned waiver.

F. Special Provisions

The following provisions shall apply to this Agreement:

1. The foregoing requirements as to the types and limits of insurance coverage to be maintained by the Contractor and any approval of said insurance by the County or its insurance consultant(s) are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Contractor pursuant to this Agreement, including but not limited to the provisions concerning indemnification.
2. The County acknowledges that some insurance requirements contained in this Agreement may be fulfilled by self-insurance on the part of the Contractor. However, this shall not in any way limit liabilities assumed by the Contractor under this Agreement. Any self-insurance shall be approved in writing by the County upon satisfactory evidence of financial capacity. Contractors obligation hereunder

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may be satisfied in whole or in part by adequately funded self-insurance programs or self-insurance retentions.

3. Should any of the work under this Agreement be sublet, the Contractor shall require each of its subcontractors of any tier to carry the aforementioned coverages, or Contractor may insure subcontractors under its own policies.
4. If this agreement applies to a flying Club the Contractor shall require each of its club members to provide aircraft liability insurance with limits of \$1,000,000 and shall provide certificates of their insurance to the County.
5. Additional insurance requirements as may be required in association with construction activity, including, but not limited to, Builder's Risk Course of Construction, Workers' Compensation, All-Risk Property Insurance, Professional Liability Insurance, and Business Risk Insurance as outlined in Exhibit "B-1."
6. The County reserves the right to withhold payments to the Contractor in the event of material noncompliance with the insurance requirements outlined above.

G. Fidelity Bonds (Required only if contractor will be receiving advanced funds or payments)

Before receiving compensation under this Agreement, Contractor will furnish County with evidence that all officials, employees, and agents handling or having access to funds received or disbursed under this Agreement, or authorized to sign or countersign checks, are covered by a BLANKET FIDELITY BOND in an amount of AT LEAST fifteen percent (15%) of the maximum financial obligation of the County cited herein. If such bond is canceled or reduced, Contractor will notify County immediately, and County may withhold further payment to Contractor until proper coverage has been obtained. Failure to give such notice may be cause for termination of this Agreement, at the option of County.