



State Contract Funding Agreement

DRAFT

**Addressing funding from Carson Water Subconservancy District to the
Board of Regents of the Nevada System of Higher Education on behalf of the
Desert Research Institute for
Supporting Conjunctive Management in Carson Valley
Through Canal–Groundwater Connectivity Mapping Project**

This Contract dated this 15th day of July 2026, is entered into by and between the Board of Regents of the Nevada System of Higher Education on behalf of the Desert Research Institute, a political subdivision of the State of Nevada (hereinafter "DRI") and the CARSON WATER SUBCONSERVANCY DISTRICT, a political subdivision of the State of Nevada (hereinafter "CWSD").

WITNESSETH:

WHEREAS DRI is a governmental subdivision of the State of Nevada, a public body corporate and politic, organized in accordance with the provisions of Chapter 396 of the Nevada Revised Statutes (NRS); and

WHEREAS CWSD is a Water Subconservancy District created and organized under the provisions of Chapter 541 of NRS; and

WHEREAS this Contract is entered into under the provisions of NRS 277.180 and must be ratified by appropriate official action of the governing body of each party as a condition precedent to its entry into force; and

WHEREAS CWSD and DRI each possess common objectives and responsibilities regarding the Carson River; and

WHEREAS DRI has requested **\$80,000** in funding during the fiscal year 2026-27 and **\$40,000** in funding during the fiscal year 2027-28 for the Supporting Conjunctive Management in Carson Valley Through Canal–Groundwater Connectivity Mapping Project (hereinafter "Project"), and

WHEREAS CWSD has agreed to set aside **\$80,000** for the fiscal year beginning July 1, 2026, and **\$40,000** for the fiscal year beginning July 1, 2027, and to grant DRI said amounts to assist with the Project.

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, it is mutually agreed by and between the parties as follows:

1. CONTRACT TERMS:

- a. CWSD hereby grants DRI **\$80,000** fiscal year 2026-27 and **\$40,000** fiscal year 2027-28 to assist with the Project which is further identified and described in Exhibit A.
- b. DRI will submit invoices periodically. The invoices shall be accompanied by a description of what the funds were used for and shall refer to this Contract.
- c. CWSD commits to paying the approved amount of the request to DRI within four (4) weeks of said request.
- d. CWSD shall have no responsibility for costs exceeding **\$80,000** FY 26-27 and **\$40,000** FY 27-28.
- e. This Contract shall terminate **June 30, 2028**, at which time DRI shall have one (1) month thereafter to submit its final invoice for payment related to work performed under this Contract.



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- f. If circumstances arise that require a time extension to complete the project, the CWSD Board of Directors grants the General Manager authority to do so by written notice to the DRI.
- g. Notwithstanding any other provision of this Contract, any obligation of CWSD hereunder is conditioned upon CWSD's funding resources. If for whatever reason the CWSD's funding resources are reduced or eliminated, CWSD reserves the right to terminate this Contract immediately in writing. CWSD will reimburse DRI for all costs that occurred under this Contract up to the date the Contract is terminated.

2. LIMITED LIABILITY AND INDEMNIFICATION:

- a. The parties will not waive but intend to assert available NRS chapter 41 liability limitations in all cases. The Contract liability of both parties shall not be subject to punitive damages. To the extent applicable, actual Contract damages for any breach shall be limited by NRS 353.260 and NRS 354.626.
- b. Consistent with section 2a above, each party shall indemnify, hold harmless and defend (not excluding the others right to participate) the other party from and against all liability, claims, actions, damages, losses, and expenses, including, but not limited to, reasonable attorneys' fees and costs, arising out of any alleged negligent or willful acts or omissions of the indemnifying party, its officers, employees and agents. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this paragraph.
- c. The indemnification obligation under this paragraph is conditioned upon the receipt of written notice of claim by the indemnified party to the indemnifying party within thirty (30) days. The hold harmless and indemnification provision shall not apply to attorneys' fees and costs for the indemnified party's chosen right to participate with legal counsel.
- d. If the DRI hires a Contractor to perform any portion of this project, the Contractor shall add CWSD as an additional insured. The Contractor must carry the Liability Insurance requirements described in Exhibit B.
- e. Prior to commencing the activities that constitute the Project, DRI shall deliver to CWSD a certificate issued by its insurance carrier naming CWSD as an additional insured and stating that the policy will not be modified or cancelled without 30 days' notice to CWSD.

3. NOTICE: For notice purposes the contact information of each party is as follows:

CWSD

Reed Cozens, General Manager
Carson Watershed Subconservancy District
777 E William Street, Suite 209
Carson City, NV 89701
(775) 887-7456
reed@cwsd.org

DRI

Yvonne Rumbaugh, Business Manager
Desert Research Institute
2215 Raggio Parkway
Reno, NV 89512
(775)673-7422
Yvonne.Rumbaugh@dri.edu

4. MISCELLANEOUS:

- a. This Contract shall be by and between the parties hereto and shall not be assignable or transferable.
- b. Any dispute regarding this Contract shall be decided according to the laws of the State of Nevada. The parties' consent to the jurisdiction of, and agree that disputes will be resolved by, the courts of the First Judicial District Court of the State of Nevada in Carson City. If any part of this Contract is declared to be unlawful, any remaining obligations shall be deemed terminated.
- c. This Contract may only be amended with the consent of both parties. Any amendments must be written and executed with the same formality as this Contract.



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- d. This Contract constitutes the entire understanding between the parties and there are no representations, conditions, warranties, or collateral agreements (expressed or implied), statutory or otherwise, with respect to the subject of this Contract.
- e. The parties are associated with each other only for the purposes and to the extent set forth in this Contract. Each party is a public agency separate and distinct from the other party. Nothing contained in this Contract may be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, to convey ownership of any asset, or to otherwise create any liability for one party whatsoever with respect to the indebtedness, liabilities, and obligations of the other party.
- f. The parties agree to keep and maintain, under general accepted accounting principles, full, true and complete records, agreements, books, and documents pertaining to this Contract, and at the request of the other party agree to present, at any reasonable time, such records, agreements, books, and documents for inspection, examination, review, audit, and copying at any office where such records, agreements, books, and documents are maintained.
- g. Pursuant to NRS 239.010, information or documents, including this Contract, may be open to public inspection and copying. The parties will have a duty to disclose such information or documents unless information or documents are made confidential by law or a common law balancing of interest. To the extent that information or documents are made confidential, the parties shall keep such information or documents confidential.
- h. This Contract does not contemplate any transfer of property or ownership interest between the parties and the parties will each maintain ownership of their own facilities.
- i. Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity.
- j. Failure to declare a breach or the actual waiver of any breach of this Contract or its material or nonmaterial terms by either party shall not operate as a waiver by this party of any of its rights or remedies as to any other breach.
- k. Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, pandemic, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the Contract after the intervening cause ceases.
- l. Each provision of this Contract shall be considered severable and if for any reason any provision or provisions herein are determined to be invalid, unenforceable, or illegal under any existing or future law, such invalidity, unenforceability, or illegality shall not impair the operation of or affect those portions of this Contract that are valid, enforceable, and legal.

5. PROPER AUTHORITY:

- a. This Contract becomes effective when ratified by appropriate official action of the governing body of each party; however, the DRI can submit expenses that have been incurred from **July 15, 2026**, forward.
- b. The parties hereto represent and warrant that the person executing this Contract on behalf of their respective party has full power and authority to enter into this Contract and that the parties are authorized by law to engage in cooperative action set forth herein.



IN WITNESS WHEREOF, the parties have executed this Contract on the day and year first written above.

DATED: _____

DATED: _____

**Board of Regents of the Nevada System
of Higher Education on behalf of the
Desert Research Institute**

**CARSON WATER
SUBCONSERVANCY DISTRICT**

Diane Samuel
Director of Research Administration Services

Ernest Schank
Chairperson

ATTEST:

ATTEST:

Joanne Huston
Senior HR Business Partner

Catrina Schambra
Secretary to the Board



Exhibit A

Supporting Conjunctive Management in Carson Valley Through Canal–Groundwater Connectivity Mapping

PROJECT DESCRIPTION

1. Introduction

Understanding the hydraulic connection between surface water features, such as canals and ditches, and groundwater pumping, is essential for protecting existing water rights and providing basis for future development and decisions on water deliveries. In irrigated basins such as the Carson Valley, groundwater and surface water systems are closely intertwined through a dense network of irrigation canals and ditches (referred to collectively as canals). Groundwater pumping in proximity to these canals may capture surface water that is critical for supporting water deliveries to existing right holders and to the downstream users. Despite the importance of these interactions, basin-wide information on the nature and extent of where irrigation canals are hydraulically connected to the groundwater is limited.

This project proposes an integrated approach combining remote sensing and geospatial analysis of varied datasets to systematically identify irrigation canal reaches in Carson Valley and classify them as hydraulically connected, disconnected, or transitionally connected to the groundwater. Transitional connections here refer to reaches where surface water-groundwater connections are intermittent or vary seasonally. The project will produce basin-wide information about the hydraulic character of the canal network to support evaluation of surface water–groundwater interactions and inform future water management, land-use planning, and infrastructure development.

2. Data Compilation and Integration

By leveraging publicly available and commercial datasets, the project aims to 1) develop a high-resolution geospatial inventory of irrigation canals across the Carson Valley using existing LiDAR-derived data; 2) integrate satellite-based observations to assess wet versus dry conditions along reaches of mapped canals; and 3) use spatially and temporally varying data of hydro-geomorphic indicators for classification of canals into hydraulically connected, disconnected, or transitionally connected segments.

The following three groups of data will be used to construct a basin-wide data acquisition, assimilation, and analysis framework:

- High-resolution (≤ 1 m) LiDAR datasets for delineating canal networks, and for extracting topographic indicators relevant to hydraulic connectivity.
- Multispectral optical satellite imagery of varying resolutions to assess presence of surface water and moisture conditions along canal corridors. Synthetic Aperture Radar (SAR) data will be used to identify soil moisture and surface wetness conditions where optical imagery is obscured by vegetation or cloud cover.
- Existing irrigation district maps/GIS layers, streamflow data, and groundwater level observations (where available) will be incorporated to provide context and constraints to the remotely sensed data.

3. Technical Approach

Task 1 – Irrigation Canal Delineation Using LiDAR

The first step in the project would involve extracting irrigation canal features from LiDAR-derived DEMs. This would provide the foundation for geometric analysis as many canals are narrow (often just a few feet wide) and may not be consistently visible in satellite images alone. Terrain attributes, such as the slope and curvature, will be used to detect linear depressions. Manual refinement and validation will be applied as necessary against existing irrigation maps and aerial imagery. This task will finally produce a vector dataset representing canal centerlines, segmented into fixed length reaches (e.g., ~200-foot segments) to support subsequent analyses. Canal reaches will also be attributed with canal width, which is an important parameter for estimating interactions between groundwater and surface water in connected and transitionally connected canals.

Task 2 - Remote Sensing Analysis

Once canal geometries are established, satellite data will be analyzed within narrow corridors centered on each segment. This corridor-based approach would allow the analysis to focus on known infrastructure locations, thus



overcoming the limitations associated with detecting narrow features directly from satellite images. For each segment and for each satellite observation date, the following indicators will be derived: a) Spectral indices sensitive to open water and wet soil conditions derived from optical images; b) SAR metrics indicative of saturated soils or standing water; c) Temporal changes in (a) and (b) indicative of the strength and vigor of vegetation adjacent to canals that may indicate persistent seepage or interaction with the shallow groundwater; and d) Temperature and reflectance differences between canal corridors and surrounding fields (if available) to infer evaporative cooling and/or moisture retention.

Task 3 - Temporal Analysis and Seasonal Patterns

To capture spatial and temporal flow dynamics in canals, the project will use satellite images acquired for several dates and spanning irrigation and non-irrigation periods. Time-series analysis will be used to identify the reaches that remain persistently wet across seasons (connected reaches), reaches that are wet during periods of high groundwater conditions (intermittently connected reaches), and reaches that are wet only during active surface water delivery or remain consistently dry (disconnected reaches). Implementation of this process would lay the framework for distinguishing fully connected systems from transitional or disconnected segments.

The Alpine Decree dictates that the Federal Water Master (FWM) directs the distribution of surface water for irrigation in the Carson River Basin. To distinguish between water sources (i.e., diverted surface water or groundwater) for a specific time and segment, historical streamflow data from the FWM for Carson Valley have been acquired, including telemetered data and digitized field measurements. Telemetered stream gages are monitored for streamflow year round (i.e., Allerman Canal and Upper Virginia Ditch); however, manual streamflow measurements along other canals are only made during the irrigation season. Some canals divert stock water during the non-irrigation season and this flow is not monitored by the FWM. These periods of unmonitored diversions will be identified using historical satellite imagery, groundwater level data, and field observations from the FWM.

Alpine Decree stipulations are also considered to distinguish between water sources, such as 1) one-third of the flow from the East Fork is diverted to the Allerman Canal when flow at the East Fork Gardnerville Gage is less than 200 cubic feet per second and 2) the "West Fork Rotation" when the available water supply is rotated on a weekly basis between the California and Nevada segments. There can be exceptions to these stipulations, however. For example, the West Fork Rotation may be modified during years of high flow (D. Wathen, personal communication, January 8, 2026). Interpretations of streamflow data will be confirmed with the FWM.

Task 4 - Classification of Connectivity

Each canal segment will be classified into one of three connectivity categories using a probabilistic framework that would integrate geometric, spectral, radar, and temporal indicators. Segments will be labeled as *Connected* if they are found to be persistently wet, have consistent moisture signals, and/or have geomorphic signals indicative of shallow groundwater. Absence of wetness indicators and limited temporal variability would classify a segment as *Disconnected*. Mixed or seasonal indicators reflecting intermittent interaction with groundwater would lead to a classification of *Transitionally Connected* segments. Further, uncertainty metrics will be assigned to each segment-wise connectivity classification to support balanced decision-making.

4. Deliverables

The deliverables of the project include: 1) an electronic inventory of irrigation canals and their hydraulic connection to groundwater and 2) a peer-reviewed report or journal article to document methods, assumptions, and limitations to ensure reproducibility of the technical process and the results. Summary maps and statistics of areas of connectivity to groundwater will provide water managers with actionable information to evaluate whether proposed groundwater development is likely to intercept water supporting surface water rights or impact the broader river system.

5. Project Team

Project team members Rishi Parashar and Dan Safter share a strong working relationship and demonstrate synergy, having successfully collaborated on a large-scale modeling project for the Gardnerville Ranchos community in the Carson River Valley. Their prior experience working together ensures effective coordination and technical alignment throughout this project. In addition, the team will receive in-kind support from NSW's Kip Allander and Dillon Murphy (support letter attached), who will provide guidance and assistance to help ensure successful integration with NSW's operational needs and regulatory decision-making framework.



PROJECT GOALS AND BENEFITS

The primary goal of this project is to support effective conjunctive management of surface water and groundwater in the Carson River Basin by providing the Nevada Division of Water Resources (NDWR) with a scientifically defensible inventory of irrigation canals and their hydraulic connection to groundwater. As NDWR advances conjunctive management for all new water right and change applications, understanding whether groundwater is hydraulically connected to surface water features is essential for protecting existing water rights while allowing appropriate future development. This project directly addresses a critical data gap that currently limits NDWR's ability to screen water right applications efficiently and consistently.

The project will produce a basin-specific dataset classifying irrigation canal reaches in Carson Valley as connected, disconnected, or transitionally connected to groundwater. By integrating this information into NDWR's application review process, regulators will be better equipped to answer fundamental questions such as: *What is the source of water captured by a well, and does pumping interfere with surface water rights conveyed through irrigation infrastructure?* This information is particularly important in Carson Valley, where a dense and historically complex network of irrigation canals intersects with groundwater development.

This project will directly benefit NDWR by strengthening the technical foundation of its conjunctive management screening process. NDWR is developing criteria to identify when applications require additional hydrogeologic review—such as proximity to springs, canals, or streams, or when a well is projected to derive a meaningful portion of its supply from surface water sources over time. Incorporating canal-groundwater connectivity into this process will allow NDWR to identify potential conflicts more accurately, reduce uncertainty during application review, and focus detailed analyses where they are most needed. Kip Allander, Chief of Hydrology at NDWR and Dillon Murphy will partner in this effort to ensure the project outputs are directly aligned with NDWR's operational needs and regulatory decision-making framework (see attached letter of support).

The project will also provide substantial benefits to existing water right holders by improving NDWR's ability to prevent impacts to senior rights. By identifying where irrigation canals are hydraulically connected to groundwater, NDWR can better ensure that new or relocated groundwater pumping does not intercept water that would otherwise support surface water deliveries tied to existing rights. This proactive approach reduces the likelihood of conflicts, protests, or long-term litigation, and helps preserve the reliability of established water uses in Carson Valley.

At the same time, the project will benefit new water right applicants and applicants seeking changes to existing rights by increasing transparency in the application process. Clear information on canal-groundwater connectivity will help applicants understand potential constraints before submitting an application and allow them to select alternative points of diversions that are more likely to meet NDWR's conjunctive management criteria. This is particularly important for water purveyors in Carson Valley, which are adapting to a regulatory environment where proximity to rivers, streams, and canals now plays a larger role in permitting decisions. By making NDWR's screening considerations clearer and more data-driven, the project increases the likelihood of successful, defensible applications.

This project focuses on the Carson Valley because of its complex hydrogeologic setting and potential for spatial and temporal variability of connectivity along the canal network. More effective conjunctive management helps balance growth, water rights protection, and long-term basin health—outcomes that directly benefit NDWR, water users, and residents throughout the watershed. By providing a transferable framework for canal-groundwater connectivity assessment, the project also lays the groundwork for similar efforts in other basins across Nevada, advancing statewide water management goals. The methodology will be developed so that it can be directly applied to assess the degree of hydraulic connectivity between surface water and groundwater in downstream agricultural basins of the Carson River Basin that rely on a mixture of groundwater and surface water resources for irrigation and other water uses, including Dayton Valley, Churchill Valley, and Carson Desert. Ultimately, this project supports sustainable water resource management throughout the Carson River Basin by improving how surface water and groundwater are evaluated as a single, interconnected system.

This project is consistent with the Carson River Adaptive Stewardship Plan (CRASP) by advancing basin-wide understanding of hydrologic connectivity and water resource interactions, a foundational element of adaptive watershed management. The CRASP emphasizes the need for improved scientific information to support coordinated decision-making across jurisdictions and water uses. By systematically identifying where irrigation canals are hydraulically connected, disconnected, or transitionally connected to groundwater, the project provides critical information needed to evaluate surface water-groundwater interactions in Carson Valley. These data directly support CRASP objectives related to water supply reliability, protection of existing water rights, and improved management of shared water resources through science-based planning.



The project also aligns with the Carson River Watershed Floodplain Management Plan (CRWFMP) by supporting integrated, watershed-scale planning that recognizes the interconnected nature of surface water infrastructure, groundwater systems, and land use. While the CRWFMP focuses primarily on flood risk, it underscores the importance of understanding how water moves through both natural and managed systems to reduce long-term risk and improve resilience. An improved understanding of canal-groundwater connectivity will help inform land-use decisions, infrastructure placement and impact, and water management strategies that minimize unintended impacts to water users and the river system. In this way, the project contributes to the CRWFMP's broader goals of coordinated water management, risk reduction, and sustainable stewardship across the Carson River Watershed.

MODIFICATIONS TO THE TIMELINE, BUDGET, AND FUNDING SOURCES

The original proposal was submitted by DRI to CWSD in January 2026. The scope of the original proposal covered the entire Carson Valley, the associated budget was \$199,189, and the project duration was from July 1, 2026, to December 31, 2027.

In February 2026, DRI and the CWSD Finance Committee met to discuss the proposed scope and budget, and the potential for a change of scope if the available budget was to be less than the requested amount.

In April 2026, DRI was notified that the CWSD Board approved funding of \$120,000. To perform the full scope of work described in the original proposal, DRI has secured additional funding in the amount of \$30,000 from NDWR and \$50,000 from DRI. To maximize the available funding, it is suggested that the project duration be changed to August 1, 2026, to January 31, 2028. Separate contracts will be implemented between DRI and CWSD, and DRI and NDWR prior to the project start date. Funds from NDWR are expected to be available during FY28 (starting July 1, 2027).

Project Schedule

A summary of the timeline and tasks associated with each funding source is provided in Table 1. Additional details are provided below:

The total funding support from CWSD equals \$120,000. Funds from CWSD are expected to be available at the project start date. With these funds, DRI will complete Tasks 1-4 for a limited area of Carson Valley. Tasks 1-4 will be performed for a high priority sub-area of Carson Valley. For example, through discussion with NDWR, the land area between the East Fork and West Fork Carson River (south of the confluence) is an area recommended for consideration because of the number of water right applications, the abundance of canals, and the expected variability in hydraulic connectivity. The priority area will ultimately be determined through additional discussion with CWSD.

The total funding support from DRI equals \$50,000. Funds from DRI are expected to be available at the project start date. Funds from DRI will be used to complete Tasks 1-4 for the remaining area of Carson Valley (areas outside of the "high priority" area). Tasks 1-4 for the different geographic areas will be staggered, as shown in Table 1 so that any lessons learned during Task 1 for the high-priority area can be applied during Task 1 for the other areas.

The total funding support from NDWR equals \$30,000. Funds from NDWR are committed for FY28 and will be focused on the integration of the project output with NDWR's decision-making framework.

All sources of funding will contribute to deliverable development.



Table 1. Timeline and tasks associated with each funding source

Funding Source	Geographic Area of focus	8/1/26 – 10/31/26	11/1/26 – 1/31/27	2/1/27 – 4/15/27	4/16/27 – 6/30/27	7/1/27 – 10/31/27	11/1/27 – 1/31/27
CWSD	High priority zone of Carson Valley	Task 1	Task 2	Task 3	Tasks 3, 4	Tasks 3, 4	Deliverable
DRI	Other areas of Carson Valley outside of high-priority zone		Task 1	Task 2	Tasks 3, 4	Tasks 3, 4	Deliverable
NDWR						Integration with NDWR workflow	Deliverable

Project Funding Sources

CWSD	NDWR	DRI	TOTAL
120,000	30,000	50,000	200,000



Exhibit B

Liability Insurance

- a. **General Liability Insurance:** Prior to commencement and for the duration of activities that constitute the Project that is the subject of this Contract, the DRI shall maintain commercial general liability (CGL) as follows:
- i. Two Million Dollars (\$2,000,000.00) - General Aggregate.
 - ii. Two Million Dollars (\$2,000,000.00) - Products & Completed Operations Aggregate.
 - iii. One Million Dollars (\$1,000,000.00) - Each Occurrence.
 - iv. CGL insurance shall be written on ISO occurrence form CG 00 01 04 13 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, products-completed operations, personal and advertising injury, and liability assumed under an insured Contract [(including the tort liability of another assumed in a business Contract)].
 - v. CWSD, its officers, employees and immune Contractors shall be included as an insured under the CGL, using ISO additional insured endorsement CG 20 10 or CG 20 26, or a substitute providing equivalent coverage, including coverage under the commercial umbrella, if any.
 - vi. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to CWSD There shall be no endorsement or modification of the CGL to make it excess over other available insurance; alternatively, if the CGL states that it is excess or pro rata, the policy shall be endorsed to be primary with respect to the additional insured.
 - vii. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability assumed under the Contract.
 - viii. DRI waives all rights against CWSD and its agents, officers, directors, and employees for recovery of damages to the extent these damages are covered by the commercial general liability or commercial umbrella liability insurance maintained pursuant to this Contract. The insurer shall endorse CGL policy as required to waive subrogation against CWSD with respect to any loss paid under the policy.
 - ix. Prior to commencing the activities that constitute the Project, DRI shall deliver to CWSD a certificate issued by its insurance carrier naming CWSD as an additional insured and stating that the policy will not be modified or cancelled without 30 days' notice to CWSD.
- b. **Business Automobile Liability Insurance:**
- i. DRI shall maintain automobile liability and, if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 each accident for bodily injury and property damage.
 - ii. Such insurance shall cover liability arising out of owned, hired, and non-owned autos (as applicable). Coverage as required above shall be written on ISO form CA 00 01, CA 00 05, CA 00 25, or a substitute form providing equivalent liability coverage.



- iii. DRI waives all rights against CWSD and its agents, officers, directors, and employees for recovery of damages to the extent these damages are covered by the automobile liability or other liability insurance obtained by DRI pursuant this Contract.
- iv. Prior to commencing the activities that constitute the Project, DRI shall deliver to CWSD a certificate issued by its insurance carrier naming CWSD as an additional insured and stating that the policy will not be modified or canceled without 30 days' notice to CWSD.

c. **Professional Liability Insurance**

- i. DRI shall maintain professional liability insurance applying to all activities performed under this Contract with limits not less than One Million Dollars (\$1,000,000.00) and Two Million Dollars (\$2,000,000) in the aggregate.
- ii. Effective date: Prior to commencement of the performance of this Contract.
- iii. DRI will maintain professional liability insurance during the term of this Contract and for a period of three (3) years after termination of this Contract unless waived by the CWSD. In the event of non-renewal or other lapse in coverage during the term of this Contract or the three (3) year period described above, DRI shall purchase Extended Reporting Period coverage for claims arising out of DRI negligence acts, errors and omissions committed during the term of the Professional Liability Policy. The Extended Reporting Period shall continue for a minimum of three (3) years after the termination date of this Contract.
- iv. Prior to commencing the activities that constitute the Project, DRI shall deliver to CWSD a certificate issued by its insurance carrier naming CWSD as an additional insured and stating that the policy will not be modified or canceled without 30 days' notice to CWSD.