

RESOLUTION NO. 659

A RESOLUTION OF THE CITY OF WOODLAND, WASHINGTON,
APPROVING A LOCAL COMMUNITY SOLAR PROJECT WITH INOVUS SOLAR

RECEIVED

JUL 27 2015

CITY OF WOODLAND

WHEREAS, under RCW 82.16.110 et seq., state law authorizes the installation of solar panels on local government property in furtherance of local community solar projects to encourage the development of solar projects within Washington State; this law creates a cost recovery and incentive program to further such community solar projects; and

WHEREAS, Washington is a leader in community solar and one of only 10 states nationwide to adopt legislation supporting the advancement of such community solar projects; and

WHEREAS, with nearly 80 percent of residents unable to install solar energy on their own rooftops, community solar is essential to the growth of solar and renewable energy in our community and nation; and

WHEREAS, community solar allows anyone to get the benefits of solar energy regardless of homeownership or income status; and

WHEREAS, Inovus Solar has developed a local community solar project for the City of Woodland utilizing our existing infrastructure by installing solar panels on streetlights; and

WHEREAS, under this project, Inovus Solar will install the panels and administer the program at no cost to the City, taking advantage of the state incentives for participation and to recoup its costs; and

WHEREAS, under this project, the City will, through Inovus Solar, enable local residents who are participants in the program to participate at no cost and receive energy costs savings on their electric utility bills until the end of the program (6/30/2020); and

WHEREAS, Inovus Solar will remit any additional incentive revenue above the project development costs (Exhibit C of Sponsor Agreement) during the program period (program ends June 30th, 2020) back to the City; and

WHEREAS, at the end of the program the City will receive any additional incentives and will continue to receive the electric utility costs savings for the useful life of the panels, estimated to be approximately 20 years; and

WHEREAS, the City Council finds that it is in the public interest to support local renewable energy and further finds that this program will benefit the City and citizen participants in the program through reduced utility costs for the life of the solar panels;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF WOODLAND DO HEREBY RESOLVE:

SECTION 1. Community Solar Project Approval. That the City hereby approves of a local community solar project with Inovus Solar to install solar panels on certain City streetlights.


SECTION 2. Mayor Authorization. That the Mayor is authorized to enter into an agreement with Inovus Solar substantially in the form attached hereto as Attachment A and to take such steps necessary and incidental to implement the program.

SECTION 3. Effective Date. This Resolution shall immediately be in full force and effect.

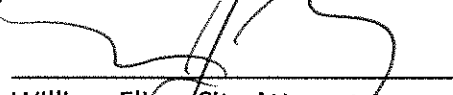
ADOPTED by the City Council and **SIGNED** by the Mayor this 20th day of July, 2015.


Grover B. Laseke, Mayor

ATTEST/AUTHENTICATION:


Mari E. Ripp, Clerk-Treasurer

APPROVED AS TO FORM:


William Eling, City Attorney

Attachment A

WASHINGTON STATE COMMUNITY SOLAR SPONSOR AGREEMENT CITY OF WOODLAND COMMUNITY SOLAR PROJECT

This Community Solar Sponsor Agreement (hereafter "Agreement") is made this 22nd day of July 2015, by and between City of Woodland, a municipality of the State of Washington (hereinafter "Sponsor") and Inovus Solar, Inc. of Idaho, a Delaware corporation, (hereinafter "Developer").

WITNESSETH:

WHEREAS, Washington State Renewable Energy System Cost Recovery program requires Community Solar projects be located on municipal owned property; and

WHEREAS, Sponsor intends to provide municipal owned property to site the Community Solar project; and

WHEREAS, Developer intends to construct, manage and operate the Community Solar project to the benefit of the Sponsor, participants and local economy.

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

1. PARTIES:

The parties to this Agreement are the City of Woodland, a municipality of the State of Washington (hereinafter "Sponsor"), and Inovus Solar, Inc, a Delaware corporation, (hereinafter "Developer").

2. DEFINITIONS:

As used in this Agreement the following terms, when capitalized have the meaning indicated:

2.1.0 "Administrator" means an owner and assignee of a community solar project defined in Section 103 (a,c) of WAC 458-20-273 that is responsible for applying for the cost recovery incentive on behalf of the system's owner and performing such administrative tasks on behalf of the owners as may be necessary: such as receiving the cost recovery incentive payments, and allocating and paying appropriate amounts of such payments to the owners.

2.1.1 "Community Solar Project" means any one of the following definitions below:

- 2.1.1.1 A solar energy system located in Washington state that is capable of generating up to seventy-five kilowatts of electricity and is owned by local individuals, households, nonprofit organizations, or nonutility business that is placed on the property owned in fee simple by a cooperating local governmental entity that is not in the light and power business or in the gas distribution business.
- 2.1.1.2 A utility-owned energy system located in Washington state that is capable of generating up to seventy-five kilowatts of electricity and that is voluntarily funded by the utility's ratepayers where in exchange for their financial support, the utility gives contributors a payment or credit on their utility bill for their share of the value of electricity generated by the solar energy system.
- 2.1.2 "Utility" means a light and power business, an electric cooperative, or a mutual corporation that provides electricity service.
- 2.1.3 "Local government entity" means any unit of local government of Washington State.
- 2.1.4 "Participant" means eligible individual, business, local utility, non-profit, local government entity that owns all or a portion of a solar energy system.
- 2.1.5 "Renewable Energy System" means a solar energy system used in the generation of electricity.
- 2.1.6 "Inovus Solar Unit" means the solar panel, solar inverter and attachment device.
- 2.1.7 "Site" means the location of the Inovus Solar Units connected to the utility grid that when combined form the Community Solar Project.
- 2.1.8 "Infrastructure" means the streetlight, utility poles, parking lot poles and traffic lights used to connect the Inovus Solar Units to the utility grid.

3 SITE:

Sponsor hereby authorizes Developer to utilize Infrastructure as defined in the Site Selection, incorporated herein as Exhibit "A". The use of Infrastructure is authorized for the express purpose of constructing, operating and maintaining a Community Solar Project. All Project plans must be approved by Sponsor and meet all applicable codes and requirements for selected sites in Exhibit "A".

4 TERM:

4.1 The initial term of this agreement is through June 30, 2020. The term will begin on the first day of the month following the date of the execution of this agreement (hereinafter "Commencement Date") and terminate June 30, 2020 thereafter (hereinafter "Termination Date").

4.2 At the end of the initial term, responsibility of the Community Solar Project transfers to the Sponsor.

4.2.0 At that point Sponsor determines if the Community Solar Project (i) continues to provide net metered credits to the participants or (ii) net metered credits are taken by Sponsor.

4.2.1 Sponsor determines (i) Sponsor assumes Administrator role or (ii) Local Administrator continues as Administrator.

4.3 Developer shall establish a 'Maintenance' escrow account managed by Administrator (local to project).

5 FINANCIAL CONSIDERATIONS:

5.1 Developer will bear sole responsibility for the construction, administration, maintenance and management of the Community Solar Project beginning at the Commencement Date.

5.2 Utility will bear responsibility designated by WAC 458-20-273 for processing of Performance Based Incentive payments and Participant bill credits.

5.3 Performance Based Incentives paid by the Washington Department of Revenue will be distributed per Exhibit "C".

5.4 Selection of Participants in the Community Solar Project will be determined based on the criteria and process in Exhibit "D".

6 TITLE AND QUIET POSSESSION:

6.1 Sponsor represents and covenants that Sponsor owns the Infrastructure in fee simple, free and clear of all liens, encumbrances and restrictions of every kind and nature.

6.2 Sponsor represents and warrants to Developer that Sponsor has the full right to make this Agreement and that Developer shall have quiet and peaceful use of the Infrastructure throughout the term of the Agreement.

7 USE OF INFRASTRUCTURE:

7.1 Developer shall use Infrastructure for the purpose of constructing, maintaining and managing a Community Solar Project. Developer shall have the right to attach Solar Panel, Inverter and Attachment Device to Infrastructure.

7.2 Developer shall comply with regulations of the Utility necessary to attach Inovus Solar Units to the power grid.

7.3 Inovus Solar Units shall not interfere with prior existing use of Infrastructure (lighting).

7.4 In the event the Sponsor determines that Developer has caused interference with existing Infrastructure use, Developer shall take all actions necessary to eliminate such interference.

7.5 It is understood and agreed that Developer's ability to use the Infrastructure for the purposes specified herein is contingent upon its obtaining all of the legally required permits and approvals (Utility and Department of Revenue). Should any of the applications or permits and approvals be finally rejected, denied or otherwise withdrawn or terminated so that Developer is unable to use the Infrastructure for its intended purpose, this agreement shall be terminated on thirty (30) days written notice to the Sponsor.

7.6 Developer shall construct, operate and maintain the Project in a manner that will be reasonable and necessary to provide energy to the Participants of the Community Solar Project.

8 STRUCTURAL AND WIND ASSESSMENT STUDY:

Developer, at Developer's sole responsibility and no cost to the Sponsor, shall perform all necessary tests, including but not limited to structural load and wind stress calculations to determine the suitability of the Infrastructure for its intended use. The results of these studies shall be shared with Sponsor at no cost to Sponsor.

9 GOVERNMENTAL APPROVALS AND COMPLIANCE:

During the Term of this Agreement, Developer shall comply with all applicable laws affecting the Infrastructure. Developer shall not commit or suffer to be committed any waste or nuisance on the Infrastructure. Developer shall obtain any necessary governmental licenses or authorizations required for the construction and use of the Infrastructure and shall comply with governmental regulations applicable to its operations, including those of Utility.

10 ASSIGNMENT:

Developer shall not assign or transfer this Agreement, or any interest herein, except to affiliate companies or to any company acquiring all or substantially all of Developer's assets, without the prior written consent of the Sponsor which shall not be unreasonable withheld, delayed or conditioned, and consent to an assignment shall not be deemed to be consent to any subsequent assignment. Upon assignment by either Sponsor or Developer, such party shall be relieved of all future performance, liabilities, and obligations under this Agreement. Notwithstanding anything to the contrary

contained in this Agreement, Developer may assign, mortgage, pledge, hypothecate or otherwise transfer without consent its interest in this Agreement to any financing entity, or agent on behalf of any financing entity to whom Developer (i) has obligations for borrowed money or in respect of guaranties thereof, (ii) has obligations evidenced by bonds, debentures, notes or similar instruments, or (iii) has obligations under or with respect to letters of credit, bankers acceptances and similar facilities or in respect of guaranties thereof.

11 NOTICES:

All notices, demands, requests, consents, approvals, and other instruments required or permitted to be given pursuant to this Agreement shall be in writing, signed by the notifying party, or officer, agent or attorney of the notifying party, and shall be deemed to have been effective upon the delivery in writing if served personally, including but not limited to delivery by messenger, overnight courier service or by overnight express mail, or upon posting if sent by registered or certified mail, postage prepaid, return receipt requested, and addressed as follows:

TO SPONSOR: City of Woodland
 Attn: Clerk-Treasurer
 PO Box 9
 Woodland, WA 98674

TO DEVELOPER: Inovus Solar, Inc
 3380 Americana Terrace, Suite 230
 Boise, ID 83706
 Attn: Project Administration

12 OPERATING EXPENSE:

Developer shall fully and promptly pay for all operating expenses incurred for the purpose of the Community Solar Project throughout the term of the Agreement.

13 TAXES:

Developer shall pay any personal property taxes assessed on, or any portion of such taxes attributed to, the Inovus Solar Unit.

14 INSURANCE:

At the time of the execution of this Agreement by Developer, Developer shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the rights and obligations hereunder by Sponsor, its agents, representatives, employees or subcontractors. The

minimum insurance requirements that the Developer must comply with to fulfill this obligation to procure and maintain insurance for this Agreement is attached hereto as Exhibit "E" labeled "Insurance Requirements".

15 MAINTENANCE:

Developer shall maintain the Infrastructure and Inovus Solar Unit in good condition and state of repair in compliance with all government regulations, including applicable Utility rules and regulations. Sponsor shall maintain its infrastructure adjacent and supportive of Community Solar Project in good condition and state of repair to avoid interference with Developer's use of Infrastructure.

16 HOLD HARMLESS:

16.1 Developer shall defend, indemnify and hold Sponsor harmless from any liability, including reimbursement of any legal fees and all costs for damages to any person or any property in or upon the Infrastructure at Developer's invitation, or for damages to any person or property resulting from the physical structure or actions of Developer (including damages caused by or resulting from equipment on the Infrastructure). Notwithstanding any provision herein to the contrary, it is understood and agreed that all property kept, installed, stored or maintained in or upon the Infrastructure by the Developer shall be so installed, or maintained at the risk of the Developer. Subject to the limits of liability, Sponsor shall indemnify and hold Developer harmless from all claims (including attorneys' fees, costs and expenses of defending against such claims) arising or alleged to arise from the acts or omission of Sponsor or Sponsor's agents, employees, licensees, invitees, contractors or other tenants occurring in or about the Infrastructure. Sponsor shall not be responsible for any loss or damage to equipment owned by Developer which might result from tornadoes, lightning, windstorms, or other Acts of God. Neither Sponsor or Developer shall in any event be liable in damages for each other's business loss, business interruption or other consequential damages of whatever kind or nature, regardless of the cause of such damages, and each party, and anyone claiming by or through them, expressly waives all claims for such damages.

16.2 Developer will be solely responsible for and will defend, indemnify, and hold Sponsor, its agents, and employees harmless from and against any and all direct claims, costs, and liabilities, including reasonable attorney fees and costs, arising out of or in connection with the removal, clean up or restoration of the Infrastructure directly attributed to Developer's use or generation of Hazardous Materials.

- 16.3 Sponsor will be solely responsible for and will defend, indemnify, and hold Developer, its agents and employees harmless from and against any and all direct claims, costs, and liabilities including reasonable attorney fees and costs, arising out of or in connection with the removal, clean up, or restoration of the Infrastructure with respect to Hazardous Materials used or generated by Sponsor.

17 HAZARDOUS MATERIALS:

- 17.1 Sponsor represents and warrants, to the best of Sponsor's knowledge (1) Infrastructure is not in breach of any Environmental Laws, (2) Infrastructure is free of any Hazardous Materials that would trigger response or remedial action under any Environmental Laws or any existing common law theory based on nuisance or strict liability.
- 17.2 Developer shall not cause or permit any Hazardous Materials to be brought upon, stored, used, released or disposed of on or around Infrastructure which would cause the Infrastructure to be in violation of any applicable Environmental Laws or which would require remediation or correction.

18 ADVERTISING/SIGNS:

- 18.1 Developer shall not place any advertising in, on or about the Project.
- 18.2 Publicity or press releases about the Community Solar Project shall be subject to a separate agreement between Sponsor and Developer.

19 DEVELOPER'S PERFORMANCE AND SURRENDER:

Developer shall keep and perform all terms and conditions hereof on its part to be kept and performed, and at the expiration or sooner termination of this Agreement, surrender to Sponsor the Infrastructure subject to the other provisions of this Agreement.

20 TERMINATION:

This agreement may be terminated, without penalty or further liability, on thirty (30) calendar days prior written notice as follows: (a) by either party on default of any covenant or term hereof by the other party, which default is not cured within thirty (30) calendar days following receipt of notice of default (without, however, limiting any other rights available to the parties pursuant to any other provisions hereof); (b) by Developer if it is unable to obtain or maintain any license, permit or other governmental approval necessary to the construction or operation of the Community Solar Project; (c) by Developer if the Infrastructure are or become unacceptable to Developer under Developer's design or engineering specification or its Inovus Solar Unit; (d) Developer determines that technical problems cannot be

reasonably corrected, preclude Developer from using Infrastructure for its intended purpose.

21 TITLE VI ASSURANCES:

- 21.1 Developer, its successors in interest, and assigns, as part of the consideration hereto, does hereby covenant and agree that (1) no person, on the grounds of race, color, sex, or national origin shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in the use of the Community Solar Project, (2) that in the construction of any improvements within the Community Solar Project, and furnishing of services therein, no person on the grounds of race, color, sex, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that Developer shall the Infrastructure in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, US Department of Transportation, Subtitle A, Office of the Secretary, part 21, Nondiscrimination in Federally assisted programs of the US Department of Transportation---Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
- 21.2 That, in the event of breach of any of the above nondiscrimination covenants, Sponsor shall have the right to terminate the Agreement.

22 COMPLETE AGREEMENT:

This Agreement and any attached exhibits constitute the entire agreement between Sponsor and Developer; no prior written or prior, contemporaneous or subsequent oral promises or representations shall be binding.

23 AMENDMENTS:

Except as may otherwise be provided herein, this Agreement shall not be amended or changed except by written instrument signed by both parties.

24 HEADINGS:

The headings of Sections and Subsections are for convenient reference only and shall not be deemed to limit, construe, affect, modify or alter the meaning of such Sections and Subsections.

IN WITNESS WHEREOF,

The parties hereto have executed this Agreement on the respective dates as indicated.

City of Woodland

By: 

Name: Grover B. Laseke

Title: Mayor

Address: P.O. Box 9

Woodland, WA 98674

Resolution # 659

Date: 7/20/2015

Inovus Solar, Inc

By: 

Name: Jay Vany

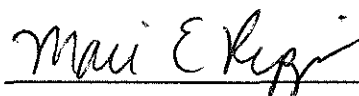
Title: CEO

Address: PO Box 6262

Boise, ID 83707

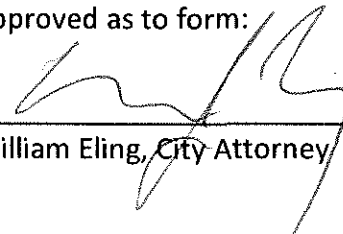
Date: 7/22/2015

Attest:



Mari E. Ripp, Clerk-Treasurer

Approved as to form:



William Eling, City Attorney

Exhibit A

Site Selection

Below is the site description for the City of Woodland's Community Solar project. The project will utilize a total of 263 poles. The Community Solar project (before final approval from State and Utility) will be 74.96 kw in size and will produce roughly 82,500 kWh of clean energy each year. A screenshot from Google Earth provides the bird's eye view for Woodland's project. Lastly, each street (with total pole count) that will be utilized for this project is included on the next page.

City of Woodland Community Solar project location map:



Exhibit A
Site Selection (cont)

City of Woodland infrastructure, utilized for Community Solar project:

Streets

Belmont

Willow

E Scott Ave

Guild Road

Dike Access Road

Down River Drive

Mitchell Street

Robinson Ave

Whitetail Drive

Blacktail Street

Sycamore Street

Marty LP

Hillshire Drive

Gun Club Road

Dunham Ave

Total	263
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Exhibit B

Administration and Maintenance

As the Project Developer, Inovus is responsible for providing Administration and Maintenance through the term of this agreement, June 30, 2020. An Administration Account is established at the beginning of the project. Maintenance funds are deposited annually from the PBI payments at 1.25% of the Revenue (Annual PBI Payment).

The Maintenance on the installed system is estimated to be minimal for the following reasons:

- Installation is warranted for one year by the Installer
- Inverter and Solar Collector are warranted for 20+ years
- Generation estimates factor in soiling and shading
- The program period is through June 30, 2020, past that period the system is expected to continue to operate with no maintenance for an additional 15+ years

At the end of this agreement, Sponsor elects to accept responsibility for Administration and Maintenance of the project or continue to have these services provided by a third party. The balance in the Administration and Maintenance Account may either be paid to Sponsor or directed to third party administrator.

Maintenance Escrow	\$ 5,187
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Exhibit C
Distribution of
Washington Performance Based Incentive (PBI)

Project

Project Cost Information	\$/Watt	Total
Developer Fee	\$0.46	\$34,500.00
System Price	\$3.22	\$241,500.00
Installed Costs (excluding finance fees)	\$3.68	\$276,000.00
Sales Tax	\$0.29	\$22,080.00
Installed Costs	\$3.97	\$298,080.00
Developer Fee Deferred Until Project Completion		-\$17,250.00
Initial Amount Financed		\$280,830.00

Project Revenues	
Annual PBI Payment	\$89,242.11
Estimated Project PBI Payment	\$414,940.99
Total Payments to Financier	\$364,409.84
Maintenance Escrow	\$5,186.76
Estimated Payment to Sponsor	\$20,726.97

Participant designates Administrator to receive and distribute PBI payments on their behalf. The Administrator distributes PBI payments in the following priority order:

1. Maintenance and Administration of System to operate at specified levels
2. Financier annual payment as specified by Amortization Schedule
3. Sponsor payment for use of Infrastructure
4. Deferred Developer Fee including interest (specified rate)
5. Any remaining balance will be paid to the Participants at the end of the agreement on a percent ownership of the Project

Exhibit D

Inovus Community Solar Suggested Participant Guidelines

As part of our mission to make the benefits of solar accessible to everyone, Inovus Solar is committed to working with Community Solar project sponsors to help make no cost community solar projects available to the local residents most in need. Regardless of homeownership or income status, we believe that Community Solar is truly solar for all.

Suggested Process	First-Come, First Serve	Random Lottery	Direct Selection (Advised only for local business and non-profits participants)
Step 1: Public Awareness	To generate participant awareness and interest, upon approval of the Sponsor Agreement, begin notifying local residents about the community solar project and how they might be able to participate. Consider the following channels (1a) to distribute information. Inovus will provide direct assistance.		Upon approval of Sponsor Agreement, begin direct outreach to local businesses and/or nonprofits. The organizations should be well-established and regarded in the community. Inovus will provide direct assistance.
1a: Channels	<ul style="list-style-type: none"> Sponsor's website (e.g. "news" or "updates" section) Sponsor and/or community newsletters Earned media (notify local news outlets) Community publications Sponsor social media platforms 		<ul style="list-style-type: none"> Local chamber website and/or newsletter Sponsor's website (e.g. "news" or "updates" section) Earned media (notify local news outlets)
1b: Information	<ul style="list-style-type: none"> Community Solar and project background Participant benefits Enrollment period timeframe Participant eligibility Process for selection Application information needs Application assistance contact 		
1c: Collateral Needed	<ul style="list-style-type: none"> Application Inovus project brochure FAQs 		
1d: Paid Media	The state community solar program does not provide funding for paid media (e.g. advertising or digital marketing). However, if the Sponsor believes there is a specific need for paid media, please contact Inovus. On a case-by-case basis, limited funding can be made available, which will be funded from the community donation paid at the end of the project from Inovus to the Sponsor and/or selection community organizations.		

Step 2: Application Distribution	Participant applications should be made available to potential participants at public locations following the approval of the Sponsor agreement. Hardcopy applications should be made available in the customer service department of the Sponsor, distributed to community organizations and made available online digitally.	Participant applications, hardcopy and/or digital, should be sent directly by the Sponsor to the participant businesses and nonprofits.
Step 3: Application Assistance	Inovus will provide direct application assistance to potential participants. All inquiries should be directed and/or forwarded to Inovus.	
Step 4: Enrollment Period Notification	Sponsor should notify potential participants at least <u>one week</u> prior to the start of the participant enrollment period.	
Step 5: Enrollment Period Timeframe	<ul style="list-style-type: none"> For projects with less than 40 participants, the enrollment period should last five business days. For projects with more than 40 participants, the enrollment period should last 10 business days. Following the enrollment period, should fewer participants submit applications than the project can support, begin an additional five business day enrollment and revisit Step 1. Repeat until the project is full. 	
Step 6: Participant Selection	Inovus, as the project administrator, will select participants. Participants will be selected on a first come, first serve basis until the project is full. Inovus will use the online time-stamp and/or postage date to determine the order of the participant's application in the selection process. Inovus will not provide the Sponsor or potential applicants with additional information about the select process. Should a selected participant be unable to continue with the project, the next participant application	Inovus, as the project administrator, will conduct a random lottery drawing following the designated enrollment period to select the participants, should the project receive more participant applications than the project supports. Inovus will not provide the Sponsor or potential applicants with additional information about the select process. Should a selected participant be unable to continue with the project, Inovus conduct a second lottery drawing from the applicant pool to fill the spot.

	will be selected to fill the spot.		
Step 7: Selected Participant Notification	Following participant selection, Inovus will directly notify the selected participants within 10 business days following the close of the enrollment period.		
Step 8: Project Under-enrollment	Should the project receive fewer applicants than the project can support, the Sponsor should revisit Step 1 and Step 5. Inovus will provide assistance.		
Step 9: Participant Updates	Following the notification of participant selection, project updates will be handled by the Inovus Western WA administrator.		
Step 10: Community Solar Project Updates	After one year and after five years of the project, the Sponsor should consider sending out an update to the community (distributed through 1a channels). Items to highlight could include: total utility bill savings, total federal tax credit dollars received, personal stories and quotes about the project, statements of validation from local stakeholders about the projects. Please contact Inovus for assistance.		

Exhibit E

Insurance Requirements

Developer shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Developer, its agents, representatives, employees, or subcontractors. The cost of such insurance shall be paid by the Developer. Insurance shall meet or exceed the following unless otherwise approved by Sponsor.

A. Minimum Insurance:

1. Commercial General Liability coverage with limits not less than \$2,000,000 per occurrence/\$2,000,000 annual aggregate
2. Stop Gap/Employers Liability coverage with limits not less than \$1,000,000 per accident/disease.
3. Business Automobile Liability coverage with limits not less than \$1,000,000 per accident for any auto.
4. Worker's Compensation coverage as required by the Industrial Insurance Laws of the State of Washington.

B. Self-Insured Retentions:

Self-insured retentions must be declared and approved by the Sponsor

C. Other Provisions: Commercial General Liability policies shall be endorsed to:

1. Include the Sponsor, its officials, employees and volunteers as additional insureds,
2. Provide that such insurance shall be primary as respects any insurance of self-insurance maintained by the Sponsor.
3. Provide that coverage shall not be cancelled except after thirty (30) days written notice has been given to Sponsor by the Developer.

D. Acceptance of Insurers:

Insurance shall be placed with insurers with an AM Best rating of A-VII or better.

E. Verification of Coverage:

Developer shall furnish Sponsor with certificates of insurance required by this clause. The certificates are to be received and approved by Sponsor before work commences. Sponsor reserves the right to require complete, certified copies of all required insurance policies at any time. Certificates must also be provided by Developer's subcontractors.

F. Subcontractors:

Developer shall require subcontractors to provide coverage which complies with the requirements stated herein.