

**AGREEMENT FOR ENERGY
PERMITTING AND PLANNING SERVICES BETWEEN
THE CITY OF GOLETA
AND
COUNTY OF SANTA BARBARA**

THIS AGREEMENT FOR PERMITTING AND PLANNING SERVICES (hereafter "Agreement") is made by and between the County of Santa Barbara, a political subdivision of the State of California ("County"), and the City of Goleta, an incorporated City ("City"), wherein County agrees to provide and City agrees to accept the services specified this Agreement.

WHEREAS, the City has requested County, to provide certain energy related services, upon request, as set forth more fully below; and

WHEREAS, the County is willing to provide such services on the terms and conditions hereinafter set forth; and

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. DESIGNATED REPRESENTATIVE. County Director of Planning and Development, or his/her designee, at (805) 568-2000, is the designated representative of the Santa Barbara County Planning and Development Department (hereafter "County P&D") and will administer this Agreement for and on behalf of County. City Manager or his/her designee, at (805) 961-7500, is the authorized representative for City and will administer this Agreement for and on behalf of City. All parties shall be notified promptly in writing of changes in the designated representatives and/or their contact information.

2. NOTICES. Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by first class mail, postage prepaid, or otherwise delivered as follows:

TO COUNTY P&D: Planning and Development Director
 Santa Barbara County Planning & Development
 123 E. Anapamu Street
 Santa Barbara, CA 93101

TO CITY: City Manager
 City of Goleta
 130 Cremona Drive, Suite B
 Goleta, CA 93117

COPIES TO: Chief, Emergency Management
 4408 Cathedral Oaks Road
 Santa Barbara, CA 93110

3. TERM. This contract shall be effective for five (5) years, commencing on the date of approval and execution of this Contract by both parties as provided herein. The Designated representatives may mutually agree to extend the term of this contract on the same terms and conditions for a period not to exceed a year beyond the five-year term. To extend the term, the City shall deliver a written request for extension no later than 60 days prior to the end of the five year contract term. The contract shall be extended if County provides written notice of acceptance within 30 days of receipt of City's request.

4. STANDARD SERVICES.

A. Services.

1.) Upon the request of the City on an as-needed case by case basis, the County P&D and the County's Office of Emergency Management (hereafter "County OEM") shall provide Energy Permitting and Planning Services for oil and gas development, production and processing related to offshore oil and gas operations in the City of Goleta. These services may include, but are not limited to: permitting (excepting building permits), compliance, and planning advice to City staff for Venoco Ellwood On-shore Facility, Ellwood Pipeline Inc. Line 96, Venoco State Lease 421 re-commissioning, and other existing and future projects, general permit compliance efforts, planned and unscheduled site inspections, monthly technical reviews, annual record audits, and emergency response tests by the County Safety and Reliability Review Committee; and response to incidents relating to facilities and projects within the incorporated area of the City of Goleta (hereafter, "Standard Services"). This agreement is in addition to operational area service requirements under the County OEM which are billed directly to the permit applicant and not submitted to the City.

The request for services shall be a written exchange between the City and the County P&D and County OEM. The written exchange shall include a statement from the County that they do or do not have capacity to serve the City and, if capacity can be provided, the time frame under which the services shall occur. If after the assignment is provided, County workload will not allow the assignment to be completed as originally agreed, the County will immediately notify the City, in writing, including the reason and the new estimated completion time.

2.) County shall have the right to not provide any services called for herein where:

- a.) In its sole and exclusive discretion, County determines that providing such services would present a conflict of interest, incompatibility of official duties, or an unacceptable conflict of policy interests between County and City. Whenever County makes such a determination, County shall immediately inform City in writing of such.
- b.) In its sole and exclusive discretion, County determines that, for any reason, Venoco is delinquent on payment of invoice(s) submitted by

County to Venoco for reimbursement of costs incurred for services provided to City herein and County determines that the amount of Venoco's security deposit held by County may not be adequate to cover the costs of additional services.

- B. Compensation of County and Billing. County shall be reimbursed for all expenses incurred for permitting and compliance services only through existing reimbursement Agreements with permit applicants. City shall not be required to expend monies from the City's General Fund in order to reimburse County for services rendered herein.
- C. County P&D and County OEM shall bill Venoco monthly for services provided herein. When billing any permit applicants for services under this Agreement, County P&D and County OEM shall provide the City with a copy of its invoice at the same time.
- D. Except as provided herein, City shall not be required to authorize reimbursement to County for any services that have not been requested or authorized by City. This provision shall not be construed to prohibit County from billing Venoco for work related to facilities within or related to County' jurisdiction, including the Ellwood Marine Terminal .
- E. The rate of reimbursement to County P&D and/or County OEM for services provided herein will be as set by the County Board of Supervisors and may include both direct costs, reflecting actual labor and office expenses, and indirect costs, including a prorated share of the Energy Division's or County OEM's, whichever is applicable, administrative costs and County overhead costs and departmental administrative costs.

5. GENERAL PROVISIONS.

- A. Supervision. Subject to the direction of the City regarding the scope, limitations, and requested work to be performed by the County P&D and County OEM under the terms of this Agreement, County P&D and County OEM shall retain exclusive authority over its personnel working within the service area. The planning, organization, scheduling, direction, supervision, standards of performance, and disciplining of County P&D and County OEM personnel, and all other related matters incidental to the delivery of standard services to the City shall be as determined by County P&D and County OEM.
- B. Mutual Cooperation. To facilitate efficient and effective delivery of services under this Agreement, County P&D and County OEM shall have full cooperation and assistance from City, its officers, agents, and employees, and City shall likewise have full cooperation and assistance from County P&D and County OEM, its officers, agents, and employees.
- C. Staffing. Except as otherwise agreed to by the parties or otherwise provided for in this Agreement, the staffing for the provision of services rendered under this Agreement for the term of this Agreement shall be based on the submitted and expected project applications and compliance monitoring requirements. Actual staffing levels and the number of hours worked will vary depending on the

amount of time necessary to complete the tasks associated with the workload. Applicants will be billed for the actual hours worked pursuant to the rates established by the County Board of Supervisors. The staffing for the term of this Agreement will be managed to assure that adequate coverage is provided to accommodate vacation time, sick leave, disability leave, and other paid and unpaid leave time of assigned personnel.

D. Personnel.

- 1) Status of Employees. All persons employed by County in the performance of services and functions for City pursuant to this Agreement shall remain County employees. Except as otherwise provided herein, no person employed by County shall have any rights to pension, civil service, or other status or rights from City by virtue of this Agreement and no person employed by City shall have any rights to pension, civil service, or other status or rights from County by virtue of this Agreement.
- 2) No City Liability for Compensation. City shall not assume any liability for the direct payment of any salaries, wages, or other compensation to any County personnel performing services hereunder for City. Except as otherwise specified herein, City shall not be liable for Workers' Compensation claims or indemnify to any County employee for injury or illness arising out of his or her employment with County.
- 3) Orientation. County P&D and County OEM shall assign specific personnel to provide services to City, pursuant to the terms of this Agreement, with appropriate training, expertise and knowledge regarding the special needs and circumstances of City projects contemplated by this Agreement.

- E. Maintenance of Records. County P&D and County OEM shall keep reasonably detailed records showing the hours and classifications of the employees involved in performing services under this Agreement and the actual work performed under this Agreement. Such records shall be maintained by County P&D and County OEM pursuant to County P&D's and County OEM's adopted records management policies and retention schedules and as required by law, and shall be available to City for inspection during County P&D's and County OEM's regular business hours and after reasonable prior notice to County P&D or County OEM. Copies of such records shall be provided to City upon the completion of any project or upon request by authorized City staff, as soon as possible and in any event no later than 14 days after any request therefor.

6. SECTION HEADINGS. The headings of the several sections, and any table of contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

7. SEVERABILITY. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision

or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

8. REMEDIES NOT EXCLUSIVE. No remedy herein conferred upon or reserved to County or City is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

9. NO WAIVER OF DEFAULT. No delay or omission of County or City to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Agreement to County or City shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of County or City.

10. ENTIRE AGREEMENT AND AMENDMENT. In conjunction with the matters considered herein, this Agreement contains the entire understanding and Agreement of the parties and there have been no promises, representations, Agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral Agreements, course of conduct, waiver or estoppel.

11. SUCCESSORS AND ASSIGNS. All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

12. COMPLIANCE WITH LAW. County and City shall, each at its sole cost and expense, comply with all County, State and Federal ordinances, regulations and / or statutes now in force or which may hereafter be in force with regard to the Agreement. The judgment of any court of competent jurisdiction, or the admission of City or County in any action or proceeding against City or County, whether City or County is a party thereto or not, that City or County has violated any such ordinance, regulation and / or statute, shall be conclusive of the fact as between City and County.

13. CALIFORNIA LAW. This Agreement shall be governed by the laws of the State of California

14. EXECUTION IN COUNTERPARTS. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an

original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

15. AUTHORITY. All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, City and County each hereby warrant that they shall not have breached the terms or conditions of any other contract or Agreement to which City or County may be obligated, which breach would have a material effect hereon.

16. REPRESENTATION BY COUNSEL. The parties hereto acknowledge that both have been represented by counsel and have participated in the drafting of this Agreement and that therefore no ambiguity or inconsistency in the wording of this Agreement should be construed to the detriment of either party because of their status as a drafter of this Agreement.

17. INDEMNIFICATION. City and County agree to insurance and indemnification terms in accordance with the provisions in EXHIBIT A attached hereto and incorporated herein by reference.

18. INDEPENDENT CONTRACTOR. It is expressly understood between the parties to this contract that no employer/employee relationship is intended; the relationship of County to City being that of an independent contractor and City and County retain sole and independent liability for the actions of the employees of each.

19. NONDISCRIMINATION. County hereby notifies City that County's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this Agreement and is incorporated herein by this reference with the same force and effect as if the ordinance were specifically set out herein and City and County agree to comply with that ordinance.

20. NONEXCLUSIVE AGREEMENT. City acknowledges that this is not an exclusive Agreement and that County shall have the right to negotiate with and enter into contracts with other Santa Barbara County cities and/or other agencies to provide the same or similar services.

21. TERMINATION. Either party may terminate this Agreement as set forth herein.

A. Either party may terminate this Agreement with or without cause upon written notice given to the other party at least 30 days before the date for such termination.

B. In the event of termination, the County shall, to the best of its ability, depending on staffing and other workload requirements, make a reasonable effort to complete any pending work prior to the effective date of termination of the Agreement,

and the City agrees it shall fully discharge any and all payment obligations owed to the County for all work performed, according to the terms of this agreement.

(Signature for County and City are located on following page.)

IN WITNESS WHEREOF, this agreement shall become effective after it is fully executed by both parties.

COUNTY OF SANTA BARBARA

CITY OF GOLETA

By: _____
DOREEN FARR, CHAIR
BOARD OF SUPERVISORS

By: _____
EDWARD EASTON, MAYOR

Date: _____

Date: _____

ATTEST:
CHANDRA L.WALLAR,
CLERK OF THE BOARD

ATTEST:
DEBORAH CONSTANTINO
CITY CLERK

By: _____
Deputy

By: _____

APPROVED AS TO FORM:
DENNIS MARSHALL
SANTA BARBARA COUNTY COUNSEL

APPROVED AS TO FORM:
TIM W. GILES
CITY ATTORNEY

By: _____
Deputy County Counsel

By: _____

APPROVED AS TO INSURANCE FORM:
RAY AROMATORIO
RISK MANAGER

By: _____
Risk Manager

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By: _____
Deputy

Exhibit A
Indemnification and Insurance Provisions

A. INDEMNIFICATION BY CITY OF GOLETA

CITY OF GOLETA shall indemnify, defend and hold COUNTY OF SANTA BARBARA, and COUNTY OF SANTA BARBARA's agents, officers and employees, harmless from and against all claims, damages, losses, causes of action and expenses, including attorneys' fees, for any personal injury, bodily injury, loss of life or damage to property, violation of any federal, state or municipal law, ordinance or constitutional provision, or other cause which arise out of, relate to, or result from the activities or omissions, negligent or otherwise, under this Agreement of CITY OF GOLETA and CITY OF GOLETA's, agents and employees, including performing or authorizing the performance of, or in failing to perform or authorize the performance of any work, services or functions provided for, referred to in or in any way connected with any work, services or functions to be performed under this Agreement.

B. INDEMNIFICATION BY COUNTY OF SANTA BARBARA

COUNTY OF SANTA BARBARA shall indemnify, defend and hold CITY OF GOLETA and CITY OF GOLETA's agents, officers and employees, harmless from and against all claims, damages, losses, causes of action and expenses, including attorneys' fees, for any personal injury, bodily injury, loss of life or damage to property, violation of any federal, state or municipal law, ordinance or constitutional provision, or other cause which arise out of, relate to, or result from the activities or omissions, negligent or otherwise, under this Agreement of COUNTY OF SANTA BARBARA, and COUNTY OF SANTA BARBARA's officers, agents and employees.

C. NO AGENCY

Except as otherwise specified herein, for the purposes of this section, CITY OF GOLETA shall not be deemed to be COUNTY OF SANTA BARBARA's agent and COUNTY OF SANTA BARBARA shall not be deemed to be CITY OF GOLETA's agent.

D. NOTIFICATION

Each party shall give the other prompt notification when it first learns of an incident or occurrence covered, or likely to be covered, under the terms of this indemnity provision, as well as prompt notification if a claim is made or suit is brought against a party based on an incident or occurrence covered, or likely to be covered, by the terms hereof.

E. CONTINUING OBLIGATION

To the extent that CITY OF GOLETA has agreed to indemnify, defend and hold harmless COUNTY OF SANTA BARBARA, its officers, agents and employees under this Agreement, said obligations shall continue to exist during the term of this

Agreement and subsequent to this Agreement for those acts or omissions giving rise to liability which occurred during this Agreement.

To the extent that COUNTY OF SANTA BARBARA has agreed to indemnify, defend and hold harmless CITY OF GOLETA, its officers, agents and employees under this Agreement, said obligations shall continue to exist during the term of this Agreement and subsequent to this Agreement for those acts or omissions giving rise to liability which occurred during this Agreement.

F. INSURANCE

Each party recognizes and accepts the other party is self-insured. Either party may purchase commercial insurance to cover their exposure hereunder, in whole or in part.