

AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

THIS AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR (hereafter Agreement) is made by and between the County of Santa Barbara, a political subdivision of the State of California (hereafter COUNTY) and Agromin Corporation, a general California stock corporation, with an address at 201 Kinetic Drive, Oxnard, CA 93030 (hereafter HAULER) wherein HAULER agrees to provide and COUNTY agrees to accept the services specified herein.

WHEREAS, the County of Santa Barbara, as well as all California municipalities, is required to divert the organic component of solid waste from landfilling pursuant to California SB 1383;

WHEREAS, COUNTY constructed a materials recycling facility (MRF), dry fermentation anaerobic digester facility (ADF), and a composting management unit (CMU) in 2021 located at 14470 Calle Real, Goleta, CA 93117;

WHEREAS, at this time approximately 150 tons of compost is produced per day at the ADF/CMU, however, there are currently factors that limit how much of the material can be fully processed to meet marketing standards;

WHEREAS, during the startup and commissioning process, COUNTY requires removal of the compost material at a rate that at least matches the production rate of composted material to prevent the stockpiling of material;

WHEREAS, it is in the COUNTY's best interest to maintain a steady flow of composted materials off-site for the near term while the ADF/CMU facilities complete commissioning;

WHEREAS, HAULER can remove composted material that can be further processed and blended to meet marketable standards at its other facilities;

WHEREAS, HAULER has the capability and expertise as a certified composter operating the Agromin Limoneira Commercial Organics Processing facility, SWIS ID # 56-AA-0179, located at 12390 West Telegraph Road, Santa Paula, CA 9360, including the hauling, delivery and marketing of compost material;

WHEREAS, HAULER represents that it is specially trained, skilled, experienced, and competent to perform the special services required by COUNTY and COUNTY desires to retain the services of HAULER pursuant to the terms, covenants, and conditions herein set forth;

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

1. DESIGNATED REPRESENTATIVE

Martin Wilder at phone number (805) 882-3605 is the representative of COUNTY and will administer this Agreement for and on behalf of COUNTY. Bill Camarillo at phone number (805) 485-9200 is the

authorized representative for HAULER. Changes in designated representatives shall be made only after advance written notice to the other party.

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 personal delivery or facsimile, or with postage prepaid by first class mail, registered or certified mail, or express courier service, as follows:

To COUNTY: County of Santa Barbara
Public Works Department
130 East Victoria Street, Suite 100
Santa Barbara, CA 93101

To HAULER: Agromin Corporation
201 Kinetic Drive
Oxnard, CA 93030

or at such other address or to such other person that the parties may from time to time designate in accordance with this Notices section. If sent by first class mail, notices and consents under this section shall be deemed to be received five (5) days following their deposit in the U.S. mail. This Notices section shall not be construed as meaning that either party agrees to service of process except as required by applicable law.

3. SCOPE OF SERVICES

HAULER agrees to provide services to COUNTY in accordance with the proposal included as EXHIBIT A, attached hereto and incorporated herein by reference.

4. TERM

HAULER shall commence performance on May 2, 2023 and end performance upon full commissioning of the ADF/CMU but no later than December 31, 2023 unless otherwise directed by COUNTY or unless earlier terminated.

5. COMPENSATION

COUNTY shall compensate HAULER pursuant to the hauling and tipping rates included in the proposal (EXHIBIT A). HAULER shall provide weekly summaries including load counts specified by tonnage, type of material, location(s) of delivery and current market for the composted material. HAULER will not be compensated for material that HAULER landfills, all material transported, delivered, and processed must be marketed as compost for beneficial reuse. HAULER shall be entitled to proceeds from the sale of the marketable compost. Unless otherwise specified on EXHIBIT B, payment shall be made thirty (30) days from the end of the prior month in which compost material was removed.

6. INDEPENDENT CONTRACTOR

It is mutually understood and agreed that HAULER (including any and all of its officers, agents, and employees), shall perform all of its services under this Agreement as an independent contractor as to COUNTY and not as an officer, agent, servant, employee, joint venturer, partner, or associate of COUNTY.

Furthermore, COUNTY shall have the right to control, supervise, or direct the manner or method by which HAULER shall perform its work and function as may be required due to environmental limitations related to storm water and endangered species. COUNTY shall also retain the right to administer this Agreement so as to verify that HAULER is performing its obligations in accordance with the terms and conditions hereof. HAULER understands and acknowledges that it shall not be entitled to any of the benefits of a COUNTY employee, including but not limited to vacation, sick leave, administrative leave, health insurance, disability insurance, retirement, unemployment insurance, workers' compensation and protection of tenure. HAULER shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, HAULER shall be solely responsible and hold COUNTY harmless from all matters relating to payment of HAULER's employees, including compliance with Social Security withholding and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, HAULER may be providing services to others unrelated to the COUNTY or to this Agreement.

7. STANDARD OF PERFORMANCE

HAULER represents that it has the skills, expertise, and licenses/permits necessary to perform the services required under this Agreement. Accordingly, HAULER shall perform all such services in the manner and according to the standards observed by a competent practitioner of the same profession in which HAULER is engaged. All products of whatsoever nature, which HAULER delivers to COUNTY pursuant to this Agreement, shall be prepared in a first class and workmanlike manner and shall conform to the standards of quality normally observed by a person practicing in HAULER's profession. HAULER shall correct or revise any errors or omissions, at COUNTY's request without compensation. Permits and/or licenses shall be obtained and maintained by HAULER without compensation.

8. DEBARMENT AND SUSPENSION

HAULER certifies to COUNTY that it and its employees and principals are not debarred, suspended, or otherwise excluded from or ineligible for, participation in federal, state, or county government contracts. HAULER certifies that it shall not contract with a subcontractor that is so debarred or suspended.

9. TAXES

HAULER shall pay all taxes, levies, duties, and assessments of every nature due in connection with any work under this Agreement and shall make any and all payroll deductions required by law. COUNTY shall not be responsible for paying any taxes on HAULER's behalf, and should COUNTY be required to do so by state, federal, or local taxing agencies, HAULER agrees to promptly reimburse COUNTY for the full value of such paid taxes plus interest and penalty, if any. These taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance.

10. CONFLICT OF INTEREST

HAULER covenants that HAULER presently has no employment or interest and shall not acquire any employment or interest, direct or indirect, including any interest in any business, property, or source of income, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. HAULER further covenants that in the performance of this Agreement, no person having any such interest shall be employed by HAULER. HAULER must promptly disclose to COUNTY, in writing, any potential conflict of interest. COUNTY retains the right to waive a conflict of interest disclosed

by HAULER if COUNTY determines it to be immaterial, and such waiver is only effective if provided by COUNTY to HAULER in writing.

11. OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY

COUNTY shall be the owner of the following items incidental to this Agreement upon production, whether or not completed: all data collected, all documents of any type whatsoever, all photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials, and any material necessary for the practical use of such items, from the time of collection and/or production whether or not performance under this Agreement is completed or terminated prior to completion. HAULER shall not release any of such items to other parties except after prior written approval of COUNTY.

Unless otherwise specified in Exhibit A, HAULER hereby assigns to COUNTY all copyright, patent, and other intellectual property and proprietary rights to all data, documents, reports, photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials prepared or provided by HAULER pursuant to this Agreement (collectively referred to as "Copyrightable Works and Inventions"). COUNTY shall have the unrestricted authority to copy, adapt, perform, display, publish, disclose, distribute, create derivative works from, and otherwise use in whole or in part, any Copyrightable Works and Inventions. HAULER agrees to take such actions and execute and deliver such documents as may be needed to validate, protect and confirm the rights and assignments provided hereunder. HAULER warrants that any Copyrightable Works and Inventions and other items provided under this Agreement will not infringe upon any intellectual property or proprietary rights of any third party. HAULER at its own expense shall defend, indemnify, and hold harmless COUNTY against any claim that any Copyrightable Works or Inventions or other items provided by HAULER hereunder infringe upon intellectual or other proprietary rights of a third party, and HAULER shall pay any damages, costs, settlement amounts, and fees (including attorneys' fees) that may be incurred by COUNTY in connection with any such claims. This Ownership of Documents and Intellectual Property provision shall survive expiration or termination of this Agreement.

12. NO PUBLICITY OR ENDORSEMENT

HAULER shall not use COUNTY's name or logo or any variation of such name or logo in any publicity, advertising or promotional materials. HAULER shall not use COUNTY's name or logo in any manner that would give the appearance that the COUNTY is endorsing HAULER. HAULER shall not in any way contract on behalf of or in the name of COUNTY. HAULER shall not release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning the COUNTY or its projects, without obtaining the prior written approval of COUNTY.

13. COUNTY PROPERTY AND INFORMATION

All of COUNTY's property, documents, and information provided for HAULER use in connection with the services shall remain COUNTY's property, and HAULER shall return any such items whenever requested by COUNTY and whenever required according to the Termination section of this Agreement. HAULER may use such items only in connection with providing the services. HAULER shall not disseminate any COUNTY property, documents, or information without COUNTY's prior written consent.

14. RECORDS, AUDIT, AND REVIEW

HAULER shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of HAULER's profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting principles. COUNTY shall have the right to audit and review all such documents and records at any time during HAULER's regular business hours or upon reasonable notice. In addition, if this Agreement involves the expenditure of public funds in excess of ten thousand dollars (\$10,000.00), HAULER shall be subject to the examination and audit of the California State Auditor, at the request of the COUNTY or as part of any audit of the COUNTY, for a period of three (3) years after final payment under the Agreement (Cal. Govt. Code Section 8546.7). HAULER shall participate in any audits and reviews, whether by COUNTY or the State, at no charge to COUNTY.

If federal, state or COUNTY audit exceptions are made relating to this Agreement, HAULER shall reimburse all costs incurred by federal, state, and/or county governments associated with defending against the audit exceptions or performing any audits or follow-up audits, including but not limited to: audit fees, court costs, attorneys' fees based upon a reasonable hourly amount for attorneys in the community, travel costs, penalty assessments and all other costs of whatever nature. Immediately upon notification from COUNTY, HAULER shall reimburse the amount of the audit exceptions and any other related costs directly to COUNTY as specified by COUNTY in the notification.

15. INDEMNIFICATION AND INSURANCE

HAULER agrees to the indemnification and insurance provisions as set forth in EXHIBIT C attached hereto and incorporated herein by reference.

16. NONDISCRIMINATION

COUNTY hereby notifies HAULER 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 HAULER agrees to comply with said ordinance.

17. NONEXCLUSIVE AGREEMENT

HAULER understands that this is not an exclusive Agreement and that COUNTY shall have the right to negotiate with and enter into contracts with others providing the same or similar services as those provided by HAULER as the COUNTY desires.

18. NON-ASSIGNMENT

HAULER shall not assign, transfer or subcontract this Agreement or any of its rights or obligations under this Agreement without the prior written consent of COUNTY and any attempt to so assign, subcontract or transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

19. **TERMINATION**

- A. **By COUNTY.** COUNTY may, by written notice to HAULER, terminate this Agreement in whole or in part at any time, whether for COUNTY's convenience, or because of the failure of HAULER to fulfill the obligations herein.
1. **For Convenience.** COUNTY may terminate this Agreement in whole or in part upon thirty (30) days written notice. During the thirty (30) day period, HAULER shall, as directed by COUNTY, wind down and cease its services as quickly and efficiently as reasonably possible, without performing unnecessary services or activities and by minimizing negative effects on COUNTY from such winding down and cessation of services.
 2. **For Cause.** Should HAULER default in the performance of this Agreement or materially breach any of its provisions, including, but not limited to, failing to pay COUNTY for the sale of stockpiled soil, COUNTY may, at COUNTY's sole option, terminate or suspend this Agreement in whole or in part by written notice. Upon receipt of notice, HAULER shall immediately discontinue all services affected (unless the notice directs otherwise) and notify COUNTY as to the status of its performance. The date of termination shall be the date the notice is received by HAULER, unless the notice directs otherwise.
- B. **By HAULER.** HAULER may terminate this Agreement for convenience in whole or in part upon thirty (30) days written notice. During the thirty (30) day period, HAULER shall, as directed by COUNTY, wind down and cease its services as quickly and efficiently as reasonably possible, without performing unnecessary services or activities and by minimizing negative effects on COUNTY from such winding down and cessation of services.
- C. Upon termination, HAULER shall deliver to COUNTY all data, estimates, graphs, summaries, reports, and all other property, records, documents or papers as may have been accumulated or produced by HAULER in performing this Agreement, whether completed or in process, except such items as COUNTY may, by written permission, permit HAULER to retain. HAULER shall make final payment for any outstanding balances due for soil hauled through the termination date.

20. **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.

21. **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.

22. REMEDIES NOT EXCLUSIVE

No remedy herein conferred upon or reserved to COUNTY 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.

23. TIME IS OF THE ESSENCE

Time is of the essence in this Agreement and each covenant and term is a condition herein.

24. NO WAIVER OF DEFAULT

No delay or omission of COUNTY 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 shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of COUNTY.

25. 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 herein. 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.

26. 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.

27. COMPLIANCE WITH LAW

HAULER shall, at its sole cost and expense, comply with all local, state and federal ordinances and statutes now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of competent jurisdiction, or the admission of HAULER in any action or proceeding against HAULER, whether COUNTY is a party thereto or not, that HAULER has violated any such ordinance or statute, shall be conclusive of that fact as between HAULER and COUNTY.

28. CALIFORNIA LAW AND JURISDICTION

This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

29. EXECUTION OF 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.

30. AUTHORITY

All signatories and 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, HAULER hereby warrants that it shall not have breached the terms or conditions of any other contract or agreement to which HAULER is obligated, which breach would have a material effect hereon.

31. SURVIVAL

All provisions of this Agreement which by their nature are intended to survive the termination or expiration of this Agreement shall survive such termination or expiration.

32. PRECEDENCE

In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits, the provisions of the Exhibits shall prevail over those in the numbered sections.

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IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date executed by COUNTY.

ATTEST:

Mona Miyasato
County Executive Officer
Clerk of the Board

By: _____
Deputy Clerk

COUNTY OF SANTA BARBARA:

By: _____
Das Williams
Chair, Board of Supervisors

Date: _____


RECOMMENDED FOR APPROVAL:

PUBLIC WORKS DEPARTMENT

By: _____
Scott D. McGolpin
Department Head

HAULER:

AGROMIN CORPORATION

By:  _____
Bill Camarillo
Authorized Representative
Name: Bill Camarillo
Title: CEO

APPROVED AS TO FORM:

Rachel Van Mullem
County Counsel

By: _____
Johannah Hartley
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:

Betsy M. Schaffer, CPA
Auditor-Controller

By: _____
Deputy

APPROVED AS TO FORM:

Gregory Milligan, ARM
Risk Manager

By: _____
Risk Management

EXHIBIT A

STATEMENT OF WORK

HAULER shall be responsible for providing short term diversion of materials including necessary loading and hauling equipment, personnel and activities to load, haul, unload, process and deliver compost material as follows:

Diversion of Material to a Composting Facility. The feedstock and contamination levels make it challenging to produce a marketable compost product. With the current technology and processing, the finished product needs additional handling before being diverted to market.

- Powerscreen 2" Unders Material
 - The 2" unders material generated by the Powerscreen can be diverted to the Agromin/Limoneira facility in Santa Paula for \$69 per ton includes freight.
 - This material is highly contaminated and requires additional processing.
 - Material will be screened and blended with Hauler's composted green material and diverted to a suitable compost market.
- D'Table 3/8" Finished Material
 - The 3/8" unders material generated by the D'Table can be diverted to the Agromin/Limoneira facility in Santa Paula for \$27 per ton includes freight.
 - This material contains less contamination than the 3/8" material from the Doppstadt screen and can be blended with Hauler's composted green material and diverted to a suitable compost market.

Diversion of Material to a Transfer Station.

- Powerscreen Overs Material
 - The overs material generated by the Powerscreen can be diverted to Gold Coast Recycling in Ventura for \$82 per ton includes freight.
 - This provides an alternative outlet for the contamination extracted from the CMU's composted material.

Said equipment, personnel and activities must be in compliance with all safety and regulatory requirements either binding upon COUNTY and HAULER.

Suspension for Convenience. COUNTY's designated representative may order HAULER in writing to suspend, delay, or interrupt the services under this Agreement in whole or in part based on need, for convenience, or for a violation of any standard or requirement of state or local law or the COUNTY's or HAULER's permits. COUNTY shall incur no liability for suspension under this provision and suspension shall not constitute a breach of this Agreement. For a violation, HAULER may only resume activities upon remedy as determined by the COUNTY's designated representative or by written approval to reconvene by the COUNTY's designated representative.

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EXHIBIT B

PAYMENT ARRANGEMENTS Periodic Compensation

- A. For HAULER services to be rendered under this Agreement, HAULER shall be paid a total contract amount, including cost reimbursements, not to exceed \$1,000,000.00.
- B. Payment for services and /or reimbursement of costs shall be made upon HAULER's satisfactory performance, based upon the scope and methodology contained in **EXHIBIT A** as determined by COUNTY.
- C. Monthly, HAULER shall submit to the COUNTY DESIGNATED REPRESENTATIVE an invoice or certified claim on the County Treasury for the service performed over the period specified. These invoices or certified claims must cite the assigned Board Contract Number. COUNTY REPRESENTATIVE shall evaluate the quality of the service performed and if found to be satisfactory shall initiate payment processing. COUNTY shall pay invoices or claims for satisfactory work within 30 days of receipt of correct and complete invoices or claims from HAULER.
- D. COUNTY's failure to discover or object to any unsatisfactory work or billings prior to payment will not constitute a waiver of COUNTY's right to require HAULER to correct such work or billings or seek any other legal remedy.

EXHIBIT C

Indemnification and Insurance Requirements (For Service Contracts Not Requiring Professional Liability Insurance)

INDEMNIFICATION

HAULER agrees to indemnify, defend (with counsel reasonably approved by COUNTY and hold harmless COUNTY, its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by COUNTY on account of any claim except where such indemnification is prohibited by law. HAULER's indemnification obligation applies to COUNTY's active as well as passive negligence but does not apply to COUNTY's sole negligence or willful misconduct.

NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

HAULER shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

INSURANCE

HAULER 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 and the results of that work by the HAULER, his agents, representatives, employees or subcontractors.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if HAULER has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

If the HAULER maintains higher limits than the minimums shown above, the COUNTY shall be entitled to coverage for the higher limits maintained by the HAULER. Any available insurance

proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the COUNTY.

B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured** – COUNTY its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the HAULER including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the HAULER's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).
2. **Primary Coverage** – For any claims related to this Agreement, the HAULER's insurance coverage shall be primary insurance as respects the COUNTY, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the COUNTY, their officers, officials, employees, agents or volunteers shall be excess of the HAULER's insurance and shall not contribute with it.
3. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the COUNTY.
4. **Waiver of Subrogation Rights** – HAULER hereby grants to COUNTY a waiver of any right to subrogation which any insurer of said HAULER may acquire against the COUNTY by virtue of the payment of any loss under such insurance. HAULER agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the COUNTY has received a waiver of subrogation endorsement from the insurer.
5. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the COUNTY. The COUNTY may require the HAULER to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.
6. **Acceptability of Insurers** – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A- VII".
7. **Verification of Coverage** – HAULER shall furnish the COUNTY with proof of insurance, original certificates and amendatory endorsements as required by this Agreement. The proof of insurance, certificates and endorsements are to be received and approved by the COUNTY before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the HAULER's obligation to provide them. The HAULER

shall furnish evidence of renewal of coverage throughout the term of the Agreement. The COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

8. **Failure to Procure Coverage** – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, COUNTY has the right but not the obligation or duty to terminate the Agreement. Maintenance of required insurance coverage is a material element of the Agreement and failure to maintain or renew such coverage or to provide evidence of renewal may be treated by COUNTY as a material breach of contract.
9. **Subcontractors** – HAULER shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and HAULER shall ensure that COUNTY is an additional insured on insurance required from subcontractors.
10. **Special Risks or Circumstances** – COUNTY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. HAULER agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of COUNTY.