

AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

THIS AGREEMENT (hereafter Agreement) is made by and between the Laguna County Sanitation District, a dependent special district to the County of Santa Barbara, a political subdivision of the State of California (hereafter COUNTY) and CH2M HILL having its principal place of business at 325 Hillcrest Drive, Suite 125, Thousand Oaks, CA 91360 (hereafter CONTRACTOR) wherein CONTRACTOR agrees to provide and COUNTY agrees to accept the services specified herein.

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) 739-8755 is the representative of COUNTY and will administer this Agreement for and on behalf of COUNTY. Mary Vorissis at phone number (805) 371-7817, ext. 38070 is the authorized representative for CONTRACTOR. 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 first class mail, postage prepaid, or otherwise delivered as follows:

To COUNTY: Martin Wilder
 Laguna County Sanitation District
 620 West Foster Road
 Santa Maria, CA 93455

To CONTRACTOR: Mary Vorissis
 CH2M Hill
 325 East Hillcrest Drive, Suite 125
 Thousand Oaks, CA 91360

or at such other address or to such other person that the parties may from time to time designate. Notices and consents under this section, which are sent by mail, shall be deemed to be received five (5) days following their deposit in the U.S. mail.

3. **SCOPE OF SERVICES.** CONTRACTOR agrees to provide services to COUNTY in accordance with EXHIBIT A attached hereto and incorporated herein by reference.

4. **TERM.** CONTRACTOR shall commence performance on January 13, 2009 and end performance upon completion, but no later than December 18, 2009 unless otherwise directed by COUNTY or unless earlier terminated.

5. **COMPENSATION OF CONTRACTOR.** CONTRACTOR shall be paid for performance under this Agreement in accordance with the terms of EXHIBIT B attached hereto and incorporated herein by reference. Billing shall be made by invoice, which shall include the contract number assigned by COUNTY and which is delivered to the address given in Section 2 **NOTICES** above following completion of the increments identified on EXHIBIT B. Unless otherwise specified on EXHIBIT B, payment shall be net thirty (30) days from presentation of invoice.

6. **INDEPENDENT CONTRACTOR.** CONTRACTOR shall perform all of its services under this Agreement as an independent contractor and not as an employee of COUNTY. CONTRACTOR 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.

7. **STANDARD OF PERFORMANCE.** CONTRACTOR represents that it has the skills, expertise, and licenses/permits necessary to perform the services required under this Agreement. Accordingly, CONTRACTOR shall perform all such services in the manner and according to the standards observed by a competent practitioner of the same profession in which CONTRACTOR is engaged. All products of whatsoever nature, which CONTRACTOR 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 CONTRACTOR's profession. CONTRACTOR shall correct or revise any errors or omissions, at COUNTY'S request without additional compensation. Permits and/or licenses shall be obtained and maintained by CONTRACTOR without additional compensation.

8. **TAXES.** COUNTY shall not be responsible for paying any taxes on CONTRACTOR's behalf, and should COUNTY be required to do so by state, federal, or local taxing agencies, CONTRACTOR 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.

9. **CONFLICT OF INTEREST.** CONTRACTOR covenants that CONTRACTOR presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by CONTRACTOR.

10. **RESPONSIBILITIES OF COUNTY.** COUNTY shall provide all information reasonably necessary by CONTRACTOR in performing the services provided herein.

11. **OWNERSHIP OF DOCUMENTS.** 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, and any material necessary for the practical use of the data and/or documents from the time of collection and/or production whether or not performance under this Agreement is completed or terminated prior to completion. CONTRACTOR shall not release any materials under this section except after prior written approval of COUNTY.

No materials produced in whole or in part under this Agreement shall be subject to copyright in the United States or in any other country except as determined at the sole discretion of COUNTY. COUNTY shall have the unrestricted authority to publish, disclose, distribute, and other use in whole or in part, any reports, data, documents or other materials prepared under this Agreement.

12. **RECORDS, AUDIT, AND REVIEW.** CONTRACTOR shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of CONTRACTOR'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 practices. COUNTY shall have the right to audit and review all such documents and records at any time during CONTRACTOR's regular business hours or upon reasonable notice.

13. **INDEMNIFICATION AND INSURANCE.** CONTRACTOR shall agree to defend, indemnify and save harmless the COUNTY and to procure and maintain insurance in accordance with the provisions of EXHIBIT C attached hereto and incorporated herein by reference.

14. **NONDISCRIMINATION.** COUNTY hereby notifies CONTRACTOR 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 CONTRACTOR agrees to comply with said ordinance.

15. **NONEXCLUSIVE AGREEMENT.** CONTRACTOR 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 CONTRACTOR as the COUNTY desires.

16. **ASSIGNMENT.** CONTRACTOR shall not assign any of its rights nor transfer any of its obligations under this Agreement without the prior written consent of COUNTY and any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

17. **TERMINATION.**

A. **By COUNTY.** COUNTY may, by written notice to CONTRACTOR, terminate this Agreement in whole or in part at any time, whether for COUNTY's convenience or because of the failure of CONTRACTOR to fulfill the obligations herein. Upon receipt of notice, CONTRACTOR shall immediately discontinue all services effected (unless the notice directs otherwise), and deliver to COUNTY all data, estimates, graphs, summaries, reports, and all other records, documents or papers as may have been accumulated or produced by CONTRACTOR in performing this Agreement, whether completed or in process.

1. For Convenience. COUNTY may terminate this Agreement upon thirty (30) days written notice. Following notice of such termination, CONTRACTOR shall promptly cease work and notify COUNTY as to the status of its performance.

Notwithstanding any other payment provision of this Agreement, COUNTY shall pay CONTRACTOR for service performed to the date of termination to include a prorated amount of compensation due hereunder less payments, if any, previously made. In no event shall CONTRACTOR be paid an amount in excess of the full price under this Agreement nor for profit on unperformed portions of service. CONTRACTOR shall furnish to COUNTY such financial information as in the judgment of COUNTY is necessary to determine the reasonable value of the services rendered by CONTRACTOR. In the event of a dispute as to the reasonable value of the services rendered by CONTRACTOR, the decision of COUNTY shall be final. The foregoing is cumulative and shall not effect any right or remedy which COUNTY may have in law or equity.

2. For Cause. Should CONTRACTOR default in the performance of this Agreement or materially breach any of its provisions, COUNTY may, at COUNTY's sole option, terminate this Agreement by written notice, which shall be effective upon receipt by CONTRACTOR.

B. **By CONTRACTOR.** Should COUNTY fail to pay CONTRACTOR all or any part of the payment set forth in EXHIBIT B, CONTRACTOR may, at CONTRACTOR's option terminate this agreement if such failure is not remedied by COUNTY within thirty (30) days of written notice to COUNTY of such late payment.

18. **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.

19. **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.

20. **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.

21. **TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement and each covenant and term is a condition herein.

22. **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.

23. **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.

24. **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.

25. **COMPLIANCE WITH LAW.** CONTRACTOR shall, at his sole cost and expense, comply with all County, 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 CONTRACTOR in any action or proceeding against CONTRACTOR, whether COUNTY be a party thereto or not, that CONTRACTOR has violated any such ordinance or statute, shall be conclusive of that fact as between CONTRACTOR and COUNTY.

26. **CALIFORNIA LAW.** 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.

27. **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.

28. **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, CONTRACTOR hereby warrants that it shall not have breached the terms or conditions of any

other contract or agreement to which CONTRACTOR is obligated, which breach would have a material effect hereon.

29. **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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Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **CH2M HILL**.

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

COUNTY OF SANTA BARBARA

By: _____
Chair, Board of Supervisors

Date: _____

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

CONTRACTOR
CH2M HILL
TERRY L. FOREMAN, VICE PRESIDENT

By: _____
Deputy

By: _____
TaxID Number: 59-09181879

APPROVED AS TO FORM:
DENNIS A. MARSHALL
COUNTY COUNSEL

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

By: _____
Deputy County Counsel

By: _____
Deputy

APPROVED AS TO FORM:
RAY AROMATORIO,
RISK PROGRAM ADMINISTRATOR

By: _____
Risk Program Administrator

EXHIBIT A

STATEMENT OF WORK FOR

This project is to provide professional services to the Santa Barbara County Public Works Department, Resource recovery & Waste Management Division, to perform a Facilities and Financial Master Plan for the Laguna County Sanitation District's wastewater reclamation plant. The Master Plan will provide a clear road map for design and implementation of the upgrades and expansion. It will incorporate; an assessment of the District's service area growth rates, an assessment of the condition and capacity of existing assets, a user charge/development impact fee model, an evaluation of treatment options and an implementation plan for plant upgrades.

The Laguna County Sanitation District (District) owns and operates a wastewater reclamation plant that serves the Orcutt Community and portions of the City of Santa Maria. Anticipated growth as well as aging facilities have prompted the District to prepare a Facilities and Financial Master Plan document that will define future wastewater flows and loads, identify an expansion alternative and establish a plan for implementation.

The initial wastewater reclamation plant was built in 1959, with a capacity of 1.6 million gallons per day (mgd). The reclamation plant capacity was increased in 1974 to 2.4 mgd and again in 1986 to 3.2 mgd. In 2004, the District constructed upgrades to the reclamation plant to address TDS, sodium, and chloride issues and provide Title 22 water for irrigation purposes.

Presently, the average flow to the reclamation plant is approximately 2.2 MGD. The plant's treatment process includes grit removal, screening, primary clarification, bio filtration (tricking filter), secondary clarification and advanced membrane filtration. A portion of the flow (generally early morning), found to contain the highest level of influent salts, is diverted to a second treatment train. This train includes screening, suspended growth biological treatment (membrane bioreactor) and reverse osmosis (RO) treatment to reduce salts. The RO-treated wastewater is blended with the other tertiary treated waste stream and disinfected using ultraviolet irradiation. Disposal of brine concentrate from the RO process is achieved by deep well injection. Recycled water is either distributed to user sites or stored in the tertiary holding pond and recycled water pipeline for later distribution. Biosolids generated during the treatment process are anaerobically digested to destroy pathogens and subsequently air dried on sludge drying beds. The biosolids are then transported to a local composting facility.

The District desires to develop a Facilities and Financial Master Plan to provide a roadmap for the next expansion and upgrades to the wastewater reclamation plant. The development of the Plan must take into consideration the following:

- Projected growth in the Orcutt area
- Projected water quality of local potable water
- End uses for treated effluent and biosolids
- Age, condition and capacity of existing treatment units
- Redundancy, reliability and flexibility of liquid and solids treatment options
- Construction staging for plant upgrades
- Capital and Operation and Maintenance (O&M) costs of treatment upgrades
- Financial impact of treatment upgrades on existing customers
- Phasing of upgrades to minimize rate increases
- Regulations pertaining to the construction site(s) (floodplain, ESA, etc.)

CH2M HILL will perform the following scope of work to develop a Facilities and Financial Master Plan for the District's wastewater reclamation plant:

Task 1.0 - Background Evaluation

CH2M HILL will review previous planning area studies. These will include the following:

- GSWC Urban Water Management Plan
- Disposal Options Report
- Orcutt General Plan
- Parson's Rate Study Report

CH2M HILL will review current and potential future regulations pertaining to disposal of treated effluent and biosolids.

CH2M HILL will develop future wastewater flow projection based on GSWC projected water use in the planning area and typical return-to-sewer/sewage generation rates, if District planning values are not available, for a planning horizon of 20-years. Planning years will include first 5-years and end of planning horizon.

CH2M HILL will review 3 years of existing reclamation plant influent flow and loading information and define future wastewater characteristics. The District will provide the previously described information and reclamation plant data in excel format.

CH2M HILL will conduct a LiveMeeting conference call with the District to confirm future wastewater flow projections and characteristics.

CH2M HILL will perform focused field work to evaluate the condition of the existing treatment units. CH2M HILL's team of up to 4 people (Mechanical Engineer, Process, Electrical, Operations) will include an Operations Technical Specialist, who will assess current operational practices in order to look for opportunities to optimize operations and reduce operations and maintenance costs. Assume up to two days will be required for CH2M HILL staff to travel and perform this work.

CH2M HILL will estimate the capacity of the existing treatment units. The District will provide reclamation plant As-Built drawings, design criteria, equipment model numbers and name plate data as necessary.

CH2M HILL will prepare a brief Technical Memorandum (TM) for the District that describes the background assessment, including projected wastewater flows and loads, potential discharge regulations, condition and capacity assessment of the existing treatment units, and potential operational improvements to increase efficiency of operations.

CH2M HILL will electronically deliver the TM to the District and conduct a conference call to discuss the TM with the District and obtain comments.

Task 2 – Alternative Screening

CH2M HILL will identify and conduct a preliminary screening of various liquid and solids treatment options. Options will be short listed to no more than four alternatives based on non monetary criteria such as compatibility with existing treatment units.

CH2M HILL will conduct a LiveMeeting conference call with the District to confirm alternatives selected for evaluation.

Task 3 – Alternative Evaluation and Selection

CH2M HILL will conduct a workshop, including a LiveMeeting conference call to discuss the list of liquid and solids treatment options, CH2M HILL's preliminary screening, and short-listed alternatives with the District. We will work with the District's staff in this workshop to eliminate various liquid and solids treatment options and to confirm a short list of alternatives for further development and analysis.

CH2M HILL will conduct a whole plant simulation and mass balance of the short-listed alternatives using CH2M HILL's PRO2D model/program.

CH2M HILL will conduct a planning level relative life-cycle cost analysis of the short-listed alternatives using CH2M HILL's CPES model/program.

CH2M HILL will conduct a workshop with representatives from the District to develop and confirm criteria and weighting factors for a Multi-Criteria Decision alternative analysis. CH2M HILL will develop a first cut of this Multi-Criteria Decision alternative analysis that will be brought to the workshop in order to facilitate and stimulate discussions with District's staff. Assume that the workshop will be held at District offices, with some CH2M HILL staff participating by a LiveMeeting conference call. The results of this workshop will be an evaluation of the potential benefits of each of the four short-listed alternatives, based on the evaluation criteria applied in the workshop. CH2M HILL will conduct a cost benefit analysis to identify a preferred alternative for the District. Benefits will be taken from the Multi-Criterion Decision analysis developed in concert with District staff. Life-cycle costs will be developed based on relative capital and operations and maintenance cost estimates. The cost-benefit analysis findings will be used in selection of the most feasible treatment alternative.

CH2M HILL will prepare a Technical Memorandum (TM) documenting the results of the alternatives screening and evaluation for review by the District.

CH2M HILL will electronically deliver the TM to the District and conduct a LiveMeeting conference call to discuss the TM with the District and obtain comments.

Task 4 – Rate Model

CH2M HILL will obtain existing user contribution information by customer class from the District and estimate future user contributions based on information from Task 1.

CH2M HILL will review the existing rate structure and development impact fees.

CH2M HILL will review existing revenue requirements based on current O&M and Replacement cost information plus the most current five-year Capital Improvement Plan. The District will provide current operations budget information plus the most recent Annual Report.

CH2M HILL will review current user categories in the rate model and identify no more than two options for simplifying user categories.

CH2M HILL will develop a user charge and development impact fee model using Excel-based spread sheets. The model will be used to analyze user charge and development impact fee impacts for proposed improvements and financing packages.

CH2M HILL will meet with District representatives to discuss the rate model and features. Assume that the meeting will be held at District offices.

CH2M HILL will prepare a Technical Memorandum (TM) documenting the proposed rate model for review by the District.

Task 5 – Implementation

CH2M HILL will identify special permit requirements associated with construction of the selected alternative. CH2M HILL will estimate future capital expenditures and revenue requirements based on cost information for the selected alternative identified in Task 2 and determine user rates using the rate model developed in Task 3.

CH2M HILL will identify potential phasing of construction of the selected alternative and assess the impact of phasing on the user rates using the rate model developed in Task 3.

CH2M HILL will prepare a brief Technical Memorandum (TM) discussing implementation of the project for review by the District.

CH2M HILL will electronically deliver the TM to the District and conduct a LiveMeeting conference call to discuss the TM with the District and obtain comments.

Task 6 – Prepare Report

CH2M HILL will prepare a draft Facilities and Financial Master Plan using information from the various TMs. The previously prepared TMs will serve as the basis for chapters of the final report. An executive summary will be prepared that summarizes the work completed, key findings, and recommendations. Comments by the District's staff on the previously submitted TMs will be addressed at the time of the preparation of this report as opposed to revising and reissuing TMs, based on resolution of the District's comments.

CH2M HILL will present the draft Facilities and Financial Master Plan to the District's Board as a PowerPoint presentation.

CH2M HILL will prepare a final Facilities and Financial Master Plan that incorporates resolution of the District's staff and Board comments.

CH2M HILL will deliver five copies of the final document and one electronic (pdf) copy of the final document to the District.

Task 7 – Project Management and Quality Assurance

CH2M HILL will perform project management and quality assurance activities so that the project meets the scope, schedule, and budget as outlined herein. CH2M HILL will communicate closely with the District and keep the District informed of any changes to the project as they occur.

CH2M HILL's project manager will discuss the project status with the District's project manager on a monthly basis, and more frequently, as appropriate. The updates will include timely information on such items as the status of the project, budget spent, budget remaining, conformance to the schedule, and a listing of critical items anticipated to occur.

CH2M HILL will prepare and submit a monthly progress report to the District documenting project status and invoice.

CH2M HILL will commence work upon notice to proceed from the District. CH2M HILL will work with the District's project manager to develop a mutually agreeable schedule with two weeks of the Notice to Proceed.

The estimated budget for CH2M HILL to perform this work is as follows:

Task 1 – Background	\$30,595
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Task 2 – Alternative Screening	\$19,395
Task 3 – Alternative Evaluation and Selection	\$77,040
Task 4 – Rate Model	\$37,985
Task 5 – Implementation	\$48,990
Task 6 – Prepare Report	\$43,000
Task 7 – Project Management and Quality Assurance	\$22,255
Total	\$279,260

CH2M HILL will invoice the District monthly based on CH2M HILL’s hourly rates for staff and outside expenses and travel at cost plus a ten percent markup.

Assumptions

- A draft TM prepared under tasks 1 through 4 will be submitted to the District via email as a PDF files.
- One set of consolidated, non-conflicting comments for each of the draft TMs will be provided by the District. These comments will be resolved and those agreed upon incorporated to create the final version that will become chapters of the project report; therefore, it is anticipated that the TMs will not be revised and reissued, except as final chapters in the project report.

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EXHIBIT B

PAYMENT ARRANGEMENTS Periodic Compensation

- A. For CONTRACTOR services to be rendered under this contract, CONTRACTOR shall be paid a total contract amount, including cost reimbursements, not to exceed \$279,260.
- B. Payment for services and /or reimbursement of costs shall be made upon CONTRACTOR's satisfactory performance, based upon the scope and methodology contained in **EXHIBIT A** as determined by COUNTY.
- C. Monthly, CONTRACTOR 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 presentation.
- 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 CONTRACTOR to correct such work or billings or seek any other legal remedy.

EXHIBIT C

STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS for contracts REQUIRING professional liability insurance

INDEMNIFICATION

Indemnification pertaining to other than Professional Services:

CONTRACTOR shall defend, indemnify and save harmless the COUNTY, its officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of this Agreement or occasioned by the performance or attempted performance of the provisions hereof; including, but not limited to, any act or omission to act on the part of the CONTRACTOR or his agents or employees or other independent contractors directly responsible to him; except those claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities resulting from the sole negligence or willful misconduct of the COUNTY.

CONTRACTOR shall notify the COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement.

Indemnification pertaining to Professional Services:

CONTRACTOR shall indemnify and save harmless the COUNTY, its officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of the negligent performance or attempted performance of the provisions hereof; including any willful or negligent act or omission to act on the part of the CONTRACTOR or his agents or employees or other independent contractors directly responsible to him to the fullest extent allowable by law.

CONTRACTOR shall notify the COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement.

Without limiting the CONTRACTOR's indemnification of the COUNTY, CONTRACTOR shall procure the following required insurance coverages at its sole cost and expense. All insurance coverage is to be placed with insurers which (1) have a Best's rating of no less than A: VII, and (2) are admitted insurance companies in the State of California. All other insurers require the prior approval of the COUNTY. Such insurance coverage shall be maintained during the term of this Agreement. Failure to comply with the insurance requirements shall place CONTRACTOR in default. Upon request by the COUNTY, CONTRACTOR shall provide a certified copy of any insurance policy to the COUNTY within ten (10) working days.

1. **Workers' Compensation Insurance:** Statutory Workers' Compensation and Employers Liability Insurance shall cover all CONTRACTOR's staff while performing any work incidental to the performance of this Agreement. The policy shall provide that no cancellation, or expiration or reduction of coverage shall be effective or occur until at least thirty (30) days after receipt of such notice by the COUNTY. In the event CONTRACTOR is self-insured, it shall furnish a copy of Certificate of Consent to Self-Insure issued by the Department of Industrial Relations for the State of California. This provision does not apply if CONTRACTOR has no employees as defined in Labor Code Section 3350 et seq. during the entire period of this Agreement and CONTRACTOR submits a written statement to the COUNTY stating that fact.

2. General and Automobile Liability Insurance: The general liability insurance shall include bodily injury, property damage and personal injury liability coverage, shall afford coverage for all premises, operations, products and completed operations of CONTRACTOR and shall include contractual liability coverage sufficiently broad so as to include the insurable liability assumed by the CONTRACTOR in the indemnity and hold harmless provisions of the Indemnification Section of this Agreement between COUNTY and CONTRACTOR. The automobile liability insurance shall cover all owned, non-owned and hired motor vehicles that are operated on behalf of CONTRACTOR pursuant to CONTRACTOR's activities hereunder. CONTRACTORS shall require all subcontractors to be included under its policies or furnish separate certificates and endorsements to meet the standards of these provisions by each subcontractor. COUNTY, its officers, agents, and employees shall be Additional Insured status on any policy. A cross liability clause, or equivalent wording, stating that coverage will apply separately to each named or additional insured as if separate policies had been issued to each shall be included in the policies. A copy of the endorsement evidencing that the policy has been changed to reflect the Additional Insured status must be attached to the certificate of insurance. The limit of liability of said policy or policies for general and automobile liability insurance shall not be less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Any deductible or Self-Insured Retention {SIR} over \$10,000 requires approval by the COUNTY.

Said policy or policies shall include a severability of interest or cross liability clause or equivalent wording. Said policy or policies shall contain a provision of the following form:

"Such insurance as is afforded by this policy shall be primary and non-contributory to the full limits stated in the declarations, and if the COUNTY has other valid and collectible insurance for a loss covered by this policy, that other insurance shall be excess only."

If the policy providing liability coverage is on a 'claims-made' form, the CONTRACTOR is required to maintain such coverage for a minimum of three years following completion of the performance or attempted performance of the provisions of this agreement. Said policy or policies shall provide that the COUNTY shall be given thirty (30) days written notice prior to cancellation or expiration of the policy or reduction in coverage.

3. Professional Liability Insurance. Professional liability insurance shall include coverage for the activities of CONTRACTOR's professional staff with a combined single limit of not less than \$1,000,000 per occurrence or claim and \$2,000,000 in the aggregate. Said policy or policies shall provide that COUNTY shall be given thirty (30) days written notice prior to cancellation, expiration of the policy, or reduction in coverage. If the policy providing professional liability coverage is on a 'claims-made' form, the CONTRACTOR is required to maintain such coverage for a minimum of three (3) years (ten years [10] for Construction Defect Claims) following completion of the performance or attempted performance of the provisions of this agreement.

CONTRACTOR shall submit to the office of the designated COUNTY representative certificate(s) of insurance documenting the required insurance as specified above prior to this Agreement becoming effective. COUNTY shall maintain current certificate(s) of insurance at all times in the office of the designated County representative as a condition precedent to any payment under this Agreement. Approval of insurance by COUNTY or acceptance of the certificate of insurance by COUNTY shall not relieve or decrease the extent to which the CONTRACTOR may be held responsible for payment of damages resulting from CONTRACTOR'S services of operation pursuant to the contract, nor shall it be deemed a waiver of COUNTY'S rights to insurance coverage hereunder.

In the event the CONTRACTOR is not able to comply with the COUNTY'S insurance requirements, COUNTY may, at their sole discretion and at the CONTRACTOR'S expense, provide compliant coverage.

The above insurance requirements are subject to periodic review by the COUNTY. The COUNTY's Risk Manager is authorized to change the above insurance requirements, with the concurrence of County Counsel, to include additional types of insurance coverage or higher coverage limits, provided that such change is reasonable based on changed risk of loss or in light of past claims against the COUNTY or inflation. This option may be exercised during any amendment of this Agreement that results in an increase in the nature of COUNTY's risk and such change of provisions will be in effect for the term of the amended Agreement. Such change pertaining to types of insurance coverage or higher coverage limits must be made by written amendment to this Agreement. CONTRACTOR agrees to execute any such amendment within thirty (30) days of acceptance of the amendment or modification.

D1. Fiscal Year : FY 2008-2009, 2009-2010
D2. Budget Unit Number (plus -Ship/-Bill codes in paren's) : 054-00-00-6000-0
D3. Requisition Number : 2009-043
D4. Department Name : Public Works
D5. Contact Person : Martin Wilder
D6. Phone : x8755

K1. Contract Type (check one): Professional Service Capital Project/Construction
K2. Brief Summary of Contract Description/Purpose : Wastewater plant master plan for capacity and financial plan
K3. Original Contract Amount : \$279,260
K4. Contract Begin Date..... : January 5, 2009
K5. Original Contract End Date : December 18, 2009
K6. Amendment History (leave blank if no prior amendments):

<u>Seq#</u>	<u>EffectiveDate</u>	<u>ThisAmndt</u>	<u>AmtCum</u>	<u>AmndtTo</u>	<u>DateNew</u>	<u>TotalAmt</u>	<u>NewEndDate</u>	<u>Purpose (2-4 words)</u>
			\$	\$		\$		

K7. Department Project Number..... : MSTRPL

B1. Is this a Board Contract? (Yes/No)..... : Yes
B2. Number of Workers Displaced (if any)..... :
B3. Number of Competitive Bids (if any) :
B4. Lowest Bid Amount (if bid)..... : \$
B5. If Board waived bids, show Agenda Date :
B6. ... and Agenda Item Number : #
B7. Boilerplate Contract Text Unaffected? (Yes / or cite ¶¶) : Yes

F1. Encumbrance Transaction Code : 1701
F2. Current Year Encumbrance Amount : \$279,260
F3. Fund Number..... : 0001
F4. Department Number..... : 054
F5. Division Number (if applicable)..... :
F6. Account Number : 7460
F7. Cost Center number (if applicable)..... :
F8. Payment Terms..... : Net 30

V1. Vendor Numbers (A=uditor; P=urchasing) : 172885
V2. Payee/Contractor Name : CH2M HILL
V3. Mailing Address : Department 925
V4. City State (two-letter) Zip (include +4 if known) : Denver, CO 80271-0925
V5. Telephone Number : (805) 371-7817, x38070
V6. Contractor's Federal Tax ID Number..... : 59-09181879
V7. Contact Person..... : Mary Vorissis
V8. Workers Comp Insurance Expiration Date..... :
V9. Liability Insurance Expiration Date[s] (G=enl; P=rofl) :
V10. Professional License Number : #
V11. Verified by (name of County staff) : Martin Wilder
V12. Company Type (Check one): Individual Sole Proprietorship Partnership Corporation

I certify: information complete and accurate; designated funds available; required concurrences evidenced on signature page.

Date : Authorized Signature..... :