

## **AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR**

**THIS AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR** (hereafter Agreement) is made by and between the Laguna County Sanitation District, a county sanitation district (hereafter DISTRICT) and Speed's Transportation Services (aka Speed's Oil Tool Service, Inc.) with an address at 1573 East Betteravia Road, Santa Maria, CA 93454 (hereafter HAULER) wherein HAULER agrees to provide and DISTRICT agrees to accept the services specified herein.

**WHEREAS**, DISTRICT constructed a water storage reservoir between 1991 and 1993 and stockpiled the excavated soil at the north end on the property known as APN 113-240-013;

**WHEREAS**, DISTRICT requires removal of the stockpile, now comprising approximately 700,000 cubic yards, to enable the construction of a future reservoir;

**WHEREAS**, pursuant to Health and Safety Code Section 4743 DISTRICT may sell, lease, or otherwise dispose of any property of the district or any interest therein whenever it is no longer required for the purposes of the district, or when its use may be permitted without interfering with its use by the district;

**WHEREAS**, said stockpile has value as fill material and will be sold;

**WHEREAS**, HAULER, with California Public Works Contractor Registration Number 1000013289 is registered in craft Driver (On/Off Hauling), has the capability and expertise to excavate and haul stockpiled soil to sites needing backfill material;

**WHEREAS**, HAULER agrees to purchase from DISTRICT soil from the stockpile at reasonable market cost;

**WHEREAS**, the stockpile is adjacent to environmentally sensitive areas, which limits the amount of equipment and personnel that can be on the site at one time due to space and logistical limitations;

**WHEREAS**, it is in the DISTRICT's best interest to limit excavation activities to those of HAULER and to prohibit equipment and personnel of third parties;

**WHEREAS**, it is also DISTRICT's intent to sell soil to third parties;

**WHEREAS**, HAULER agrees to purchase from DISTRICT at reasonable market cost soil to be excavated and hauled to third parties (third parties may also haul but not excavate) and provide soil to third parties at fair labor costs;

**WHEREAS**, third parties wishing to haul must execute a waiver of liability form and provide required insurance documentation prior to working with HAULER; and,

**WHEREAS**, HAULER represents that it is specially trained, skilled, experienced, and competent to perform the special services required by DISTRICT and DISTRICT 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) 803-8750 is the representative of DISTRICT and will administer this Agreement for and on behalf of DISTRICT. Gene Berban at phone number (805) 925-1369 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 DISTRICT:                   Laguna County Sanitation District  
620 West Foster Road  
Santa Maria, CA 93420

To HAULER:                   Speed’s Oil Tool Service, Inc.  
1573 East Betteravia Road  
Santa Maria, CA 93454

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 DISTRICT in accordance with EXHIBIT A attached hereto and incorporated herein by reference.

**4. TERM**

HAULER shall commence performance on July 1, 2020 and end performance upon successful removal of stockpiled material or upon HAULER’s desire to end excavation and hauling activities, but no later than June 30, 2030 unless otherwise directed by DISTRICT or unless earlier terminated.

**5. COMPENSATION**

HAULER shall pay DISTRICT the fair market rates per cubic yard for the value of stockpiled soil based on the marketability of the soil as may be dependent upon such factors as hauling distance, demand, and location of receiving sites. HAULER shall provide a summary of load counts monthly when soil is removed that specify buyer, quantity, and sale price. Proceeds shall be paid for on a monthly basis

for months when soil is removed. Unless otherwise specified on EXHIBIT B, payment shall be made thirty (30) days from the end of the prior month in which soil 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 DISTRICT and not as an officer, agent, servant, employee, joint venturer, partner, or associate of DISTRICT. Furthermore, DISTRICT 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. DISTRICT 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 DISTRICT 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 DISTRICT 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 DISTRICT 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 DISTRICT 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 DISTRICT's request without compensation. Permits and/or licenses shall be obtained and maintained by HAULER without compensation.

#### **8. DEBARMENT AND SUSPENSION**

HAULER certifies to DISTRICT 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. DISTRICT shall not be responsible for paying any taxes on HAULER's behalf, and should DISTRICT be required to do so by state, federal, or local taxing agencies, HAULER agrees to promptly reimburse DISTRICT 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 DISTRICT, in writing, any potential conflict of interest. DISTRICT retains the right to waive a conflict of interest disclosed by HAULER if DISTRICT determines it to be immaterial, and such waiver is only effective if provided by DISTRICT to HAULER in writing.

#### **11. OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY**

DISTRICT 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 DISTRICT.

Unless otherwise specified in Exhibit A, HAULER hereby assigns to DISTRICT 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"). DISTRICT 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 DISTRICT 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 DISTRICT 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 DISTRICT's name or logo or any variation of such name or logo in any publicity, advertising or promotional materials. HAULER shall not use DISTRICT's name or logo in any manner that would give the appearance that the DISTRICT is endorsing HAULER. HAULER shall not in any way contract on behalf of or in the name of DISTRICT. HAULER shall not release any informational

pamphlets, notices, press releases, research reports, or similar public notices concerning the DISTRICT or its projects, without obtaining the prior written approval of DISTRICT.

### **13. DISTRICT PROPERTY AND INFORMATION**

All of DISTRICT's property, documents, and information provided for HAULER use in connection with the services shall remain DISTRICT's property, and HAULER shall return any such items whenever requested by DISTRICT 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 DISTRICT property, documents, or information without DISTRICT'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. DISTRICT 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 DISTRICT or as part of any audit of the DISTRICT, 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 DISTRICT or the State, at no charge to DISTRICT.

If federal, state or DISTRICT audit exceptions are made relating to this Agreement, HAULER shall reimburse all costs incurred by federal, state, and/or DISTRICT 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 DISTRICT, HAULER shall reimburse the amount of the audit exceptions and any other related costs directly to DISTRICT as specified by DISTRICT 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**

DISTRICT hereby notifies HAULER that DISTRICT'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 DISTRICT 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 DISTRICT 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 DISTRICT 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 DISTRICT.** DISTRICT may, by written notice to HAULER, terminate this Agreement in whole or in part at any time, whether for DISTRICT's convenience, or because of the failure of HAULER to fulfill the obligations herein.
1. **For Convenience.** DISTRICT 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 DISTRICT, 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 DISTRICT 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 DISTRICT for the sale of stockpiled soil, DISTRICT may, at DISTRICT'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 DISTRICT 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 DISTRICT, 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 DISTRICT from such winding down and cessation of services.
- C. Upon termination, HAULER shall deliver to DISTRICT 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 DISTRICT 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 DISTRICT 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 DISTRICT 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 DISTRICT shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of DISTRICT.

**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 DISTRICT 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 DISTRICT.

**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 DISTRICT.

**ATTEST:**

Mona Miyasato  
County Executive Officer  
Clerk of the Board

By: \_\_\_\_\_  
Deputy Clerk

**LAGUNA COUNTY SANITATION DISTRICT:**

By: \_\_\_\_\_  
Gregg Hart  
Chair, Board of Directors

Date: \_\_\_\_\_

**RECOMMENDED FOR APPROVAL:  
PUBLIC WORKS DEPARTMENT**

By: \_\_\_\_\_  
Scott D. McGolpin  
Department Head

**HAULER:  
SPEED'S OIL TOOL SERVICE, INC.**

By: \_\_\_\_\_  
Kim A. Kirchhof  
Authorized Representative

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**APPROVED AS TO FORM:**

Michael C. Ghizzoni  
County Counsel

By: \_\_\_\_\_  
Lina Somait  
Deputy County Counsel

**APPROVED AS TO ACCOUNTING FORM:**

Betsy M. Schaffer, CPA  
Auditor-Controller

By: \_\_\_\_\_  
Deputy

**APPROVED AS TO FORM:**

Risk Management

By: \_\_\_\_\_  
Risk Management

## EXHIBIT A

### STATEMENT OF WORK

HAULER shall be responsible for providing necessary excavating and hauling equipment, personnel and activities at no cost to the DISTRICT. Said equipment, personnel and activities must be in compliance with DISTRICT's hazardous material spill plan, conservation easement/habitat conservation plan, incidental take permit, stormwater management plan, OSHA standards and any other criteria related to the excavation of soil from the site such as phased grading plan provided by DISTRICT. DISTRICT will pay for any soil testing that may be requested.

**Suspension for Convenience.** DISTRICT's designated representative may order HAULER in writing to suspend, delay, or interrupt the services under this Agreement in whole or in part for an infraction of any standard or requirement described in documents listed above. DISTRICT shall incur no liability for suspension under this provision and suspension shall not constitute a breach of this Agreement. HAULER may only resume activities upon remedy of any said infraction.

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## **EXHIBIT B**

### **PAYMENT ARRANGEMENTS**

#### **Periodic Compensation**

- A. Payment for the purchase of soil shall be made monthly and within 30 days from the end of the prior month when soil was removed. A payment statement shall be included that details each customer, county, situs address, monthly and cumulative load count, rate per cubic yard being paid to DISTRICT and whether or not customer's need for soil had ended. The price per cubic yard shall be based upon the market value of the soil, which may be influenced by factors such as quantity desired, haul distance, and site location, but is expected to be on average approximately \$1 per cubic yard.
- B. Annually based on a fiscal year, HAULER shall submit to DISTRICT a summary of total cubic yards hauled; and a list of customers, receiving site locations, quantity of soil delivered per site, and the total amount paid per site.
- C. DISTRICT's failure to discover or object to any excavation or hauling documentation will not constitute a waiver of DISTRICT's right to require HAULER to correct such work or payments 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 DISTRICT and hold harmless DISTRICT, 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 DISTRICT on account of any claim except where such indemnification is prohibited by law. HAULER's indemnification obligation applies to DISTRICT's active as well as passive negligence but does not apply to DISTRICT's sole negligence or willful misconduct.

#### NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

HAULER shall notify DISTRICT 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 DISTRICT 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 DISTRICT.

B. Other Insurance Provisions

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

1. **Additional Insured** – DISTRICT 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 DISTRICT, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the DISTRICT, 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 DISTRICT.
4. **Waiver of Subrogation Rights** – HAULER hereby grants to DISTRICT a waiver of any right to subrogation which any insurer of said HAULER may acquire against the DISTRICT 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 DISTRICT 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 DISTRICT. The DISTRICT 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 DISTRICT 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 DISTRICT 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 DISTRICT 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, DISTRICT 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 DISTRICT 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 DISTRICT is an additional insured on insurance required from subcontractors.
10. **Special Risks or Circumstances** – DISTRICT 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 DISTRICT 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 DISTRICT.

**LAGUNA**  
**COUNTY SANITATION DISTRICT**  
**SANTA BARBARA COUNTY**  
620 West Foster Road  
Santa Maria, California 93455  
(805) 803-8750 FAX (805) 803-8753

**Third Party Soil Purchase Application Agreement**

Applicant's Name:  
Address:  
Contact Person:  
Phone No.:

Entity DOT No.:  
Business License No.:

Proposed Dates of Hauling: \_\_\_\_\_

Estimated Quantity (in cubic yards): \_\_\_\_\_

The Laguna County Sanitation District (hereinafter "District") agrees to sell soil from the District to Applicant. Applicant understands that soil is owned by and purchased from the District, and that Speed's Oil Tool, Inc. is authorized to excavate and load/haul soil for applicant. Applicant understands that it will be paying Speed's Oil Tool, Inc. for reasonable labor costs and cost of the soil and that Speed's Oil Tool, Inc. will be forwarding payment for the cost of the soil to Laguna County Sanitation District. Price per cubic yard will be based on the market rates as may be subject to quantity, hauling and location.

**NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS**

Applicant shall notify District 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.

Applicant 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 Applicant, its 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 CONTRACTOR 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.

B. Other Insurance Provisions

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

1. Additional Insured – District, 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 CONTRACTOR 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 CONTRACTOR'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).
1. Primary Coverage – For any claims related to this Agreement, the Applicant's insurance coverage shall be primary insurance as respects the District, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the District, their officers, officials, employees, agents or volunteers shall be excess of the Applicant's insurance and shall not contribute with it.

If the Applicant maintains higher limits than the minimums shown above, the District shall be entitled to coverage for the higher limits maintained by the Applicant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the District.

INDEMNIFICATION

Applicant agrees to indemnify, defend (with counsel reasonably approved by District) and hold harmless District and 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 District on account of any claim except where such indemnification is prohibited by law. Applicant's indemnification obligation applies to District's active as well as passive negligence but does not apply to District's sole negligence or willful misconduct.

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Signature

Print Name

Date