

AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

THIS AGREEMENT (hereafter Agreement) is made by and between the Laguna County Sanitation District, a dependent special district of the County of Santa Barbara, a political subdivision of the State of California (hereafter DISTRICT) and Endelos Energy, LLC., having its principal place of business at 593 Avenue of the Flags, Suite 105, Buellton, California, 93427 (hereafter CONTRACTOR) wherein CONTRACTOR agrees to provide and DISTRICT agrees to accept the services specified herein.

WHEREAS, CONTRACTOR 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 CONTRACTOR 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, P.E., at phone number (805) 803-8755 is the representative of DISTRICT and will administer this Agreement for and on behalf of DISTRICT. Randy Arntson, at phone number (805) 886-4788 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 personal delivery or facsimile, or with postage prepaid by first class mail, registered or certified mail, or express courier service, as follows:

To DISTRICT:	Martin Wilder, P.E. Laguna County Sanitation District 620 West Foster Road Santa Maria, CA 93455 Ph: (805) 803-8755 Email: mwilder@countyofsb.org
To CONTRACTOR:	Randy Arntson Endelos Energy, LLC 593 Avenue of the Flags, Suite 105 Buellton, CA 93427 Ph: (805) 886-4788 Email: rarntson@endelosenergy.com

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

CONTRACTOR agrees to provide services to DISTRICT in accordance with EXHIBIT A attached hereto and incorporated herein by reference. Said scope includes Tasks 1 through 12 including associated labor and materials.

4. TERM

CONTRACTOR shall commence performance on January 10, 2023 and end performance upon completion, but no later than December 31, 2023 unless otherwise directed by DISTRICT or unless earlier terminated.

5. COMPENSATION

In full consideration for CONTRACTOR's services, 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 DISTRICT 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

It is mutually understood and agreed that CONTRACTOR (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 venture, partner, or associate of DISTRICT. Furthermore, DISTRICT shall have no right to control, supervise, or direct the manner or method by which CONTRACTOR shall perform its work and function. However, DISTRICT shall retain the right to administer this Agreement so as to verify that CONTRACTOR is performing its obligations in accordance with the terms and conditions hereof. CONTRACTOR 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. CONTRACTOR shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, CONTRACTOR shall be solely responsible and save DISTRICT harmless from all matters relating to payment of CONTRACTOR'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, CONTRACTOR may be providing services to others unrelated to the DISTRICT or to this Agreement.

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 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 CONTRACTOR's profession. CONTRACTOR shall correct or revise any errors or omissions, at DISTRICT's request without additional compensation. Permits and/or licenses shall be obtained and maintained by CONTRACTOR without additional compensation. In providing opinions of cost, financial analyses, economic feasibility projections, and schedules for potential projects, CONTRACTOR has no control over cost or price of labor and material; unknown or latent conditions of existing equipment or structures that may affect operation and maintenance costs; competitive bidding procedures and market conditions; time or quality of performance of third parties; quality, type, management, or direction of operating personnel; and other economic and operational factors that may materially affect the ultimate project cost or schedule. Therefore, CONTRACTOR makes no warranty that DISTRICT's actual project costs, financial aspects, economic feasibility, or schedules will not vary from CONTRACTOR's opinions, analyses, projections, or estimates.

8. DEBARMENT AND SUSPENSION

CONTRACTOR 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. CONTRACTOR certifies that it shall not contract with a subcontractor that is so debarred or suspended.

9. TAXES

CONTRACTOR 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 CONTRACTOR's behalf, and should DISTRICT be required to do so by state, federal, or local taxing agencies, CONTRACTOR 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

CONTRACTOR covenants that CONTRACTOR 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. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by CONTRACTOR. CONTRACTOR must promptly disclose to DISTRICT, in writing, any potential conflict of interest. DISTRICT retains the right to waive a conflict of interest disclosed by CONTRACTOR if DISTRICT determines it to be immaterial, and such waiver is only effective if provided by DISTRICT to CONTRACTOR 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. Any reuse of completed documents or use of partially completed documents without written verification or concurrence by CONTRACTOR for the specific purpose intended will be at DISTRICT's sole risk and without liability or legal exposure to CONTRACTOR. CONTRACTOR shall not release any of such items to other parties except after prior written approval of DISTRICT.

CONTRACTOR's instruments of service hereunder are the printed hard copy drawings and specifications issued for the Project, whereas electronic media, including CAD files, are tools for their preparation. As a convenience to DISTRICT, CONTRACTOR shall furnish to DISTRICT both printed hard copies and electronic media. In the event of a conflict in their content, the printed hard copies shall take precedence over the electronic media. Because data stored in electronic media form can be altered, inadvertently, it is agreed that DISTRICT shall hold CONTRACTOR harmless from liability arising out of changes or modifications to CONTRACTOR's data in electronic media form in DISTRICT's possession or released to others by DISTRICT.

Unless otherwise specified in Exhibit A, CONTRACTOR 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 CONTRACTOR 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. CONTRACTOR 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. CONTRACTOR 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. CONTRACTOR 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 CONTRACTOR hereunder infringe upon intellectual or other proprietary rights of a third party, and CONTRACTOR 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

CONTRACTOR shall not use DISTRICT's name or logo or any variation of such name or logo in any publicity, advertising or promotional materials. CONTRACTOR shall not use DISTRICT's name or logo in any manner that would give the appearance that the DISTRICT is endorsing CONTRACTOR. CONTRACTOR shall not in any way contract on behalf of or in the name of DISTRICT. CONTRACTOR 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 CONTRACTOR's use in connection with the services shall remain DISTRICT's property, and CONTRACTOR shall return any such items whenever requested by DISTRICT and whenever required according to the Termination section of this Agreement. CONTRACTOR may use such items only in connection with providing the services. CONTRACTOR shall not disseminate any DISTRICT property, documents, or information without DISTRICT's prior written consent.

14. 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 principles. DISTRICT 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. In addition, if this Agreement exceeds ten thousand dollars (\$10,000.00), CONTRACTOR 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). CONTRACTOR 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, CONTRACTOR 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, CONTRACTOR 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

CONTRACTOR 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 CONTRACTOR 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 CONTRACTOR agrees to comply with said ordinance.

17. NONEXCLUSIVE AGREEMENT

CONTRACTOR 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 CONTRACTOR as the DISTRICT desires.

18. NON-ASSIGNMENT

CONTRACTOR 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 CONTRACTOR, terminate this Agreement in whole or in part at any time, whether for DISTRICT's convenience, for nonappropriation of funds, or because of the failure of CONTRACTOR 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, CONTRACTOR 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 Nonappropriation of Funds.** Notwithstanding any other provision of this Agreement, in the event that no funds or insufficient funds are appropriated or budgeted by federal, state or DISTRICT governments, or funds are not otherwise available for payments in the fiscal year(s) covered by the term of this Agreement, then DISTRICT will notify CONTRACTOR of such occurrence and DISTRICT may terminate or suspend this Agreement in whole or in part, with or without a prior notice period. Subsequent to termination of this Agreement under this provision, DISTRICT shall have no obligation to make payments with regard to the remainder of the term.
 3. **For Cause.** Should CONTRACTOR default in the performance of this Agreement or materially breach any of its provisions, DISTRICT may, at DISTRICT's sole option, terminate or suspend this Agreement in whole or in part by written notice. Upon receipt of notice, CONTRACTOR 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 CONTRACTOR, unless the notice directs otherwise.
- B. By CONTRACTOR. Should DISTRICT 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 DISTRICT within thirty (30) days of written notice to DISTRICT of such late payment.
- C. Upon termination, CONTRACTOR 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

CONTRACTOR in performing this Agreement, whether completed or in process, except such items as DISTRICT may, by written permission, permit CONTRACTOR to retain. Notwithstanding any other payment provision of this Agreement, DISTRICT shall pay CONTRACTOR for satisfactory services 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 DISTRICT such financial information as in the judgment of DISTRICT 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 DISTRICT shall be final. The foregoing is cumulative and shall not affect any right or remedy which DISTRICT may have in law or equity.

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

CONTRACTOR shall, at its sole cost and expense, comply with all DISTRICT, 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 DISTRICT is a party thereto or not, that CONTRACTOR has violated any such ordinance or statute, shall be conclusive of that fact as between CONTRACTOR 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, 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.

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.

33. THIRD PARTIES

The services to be performed by CONTRACTOR are intended solely for the benefit of DISTRICT. No person or entity not a signatory to this Agreement shall be entitled to rely on CONTRACTOR's performance of its services hereunder, and no right to assert a claim against CONTRACTOR by assignment of indemnity rights or otherwise shall accrue to a third party as a result of this Agreement or the performance of CONTRACTOR's services hereunder.

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Agreement for Services of Independent Contractor between the **Laguna County Sanitation District** and **Endelos Energy, LLC**.

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

ATTEST:
Mona Miyasato
County Executive Officer
Ex-Officio Clerk of the Board

By: *Sheela Chhabra*
Deputy Clerk

LAGUNA COUNTY SANITATION DISTRICT:

By: *Das Williams*
Das Williams, Chair, Board of Directors

Date: 1-10-23

RECOMMENDED FOR APPROVAL:
Scott D. McGolpin, P.E.
Director, Public Works Department

By: *Scott D. McGolpin*
Department Head

CONTRACTOR:
Endelos Energy, Inc

By: *Marvin R. Arntson*
Authorized Representative

Name: Marvin R Arntson
Title: President & CEO

APPROVED AS TO FORM:

Rachel Van Mullem
County Counsel

DocuSigned by:
By: *Callie Kim*
Callie Kim, Deputy County Counsel

APPROVED AS TO FORM:
Gregory Milligan, A.R.M.
Risk Manager

DocuSigned by:
By: *Greg Milligan*
Risk Management

APPROVED AS TO ACCOUNTING FORM:
Betsy M. Schaffer, C.P.A.
Auditor-Controller

DocuSigned by:
By: *Robert Geis*
Deputy

EXHIBIT A

STATEMENT OF WORK



Energy Efficiency Renewable Energy

593 Avenue of the Flags, Suite #105
 Buellton, CA 93427
 Phone (805) 896-4788 Fax (805) 817-1718

QUOTATION

PROJECT BUDGET

Date 11/22/2022
 Quote # 11222022-1
 Customer ID COSB Laguna
 Project ID 22-1062

County of Santa Barbara
 Attn: Marty Wilder
 Laguna Sanitation Solar System
 3500 Black Road,
 Santa Maria, CA 93455

COSB
 Laguna County Sanitation District
 1.28 MW Solar System
 PV Inverter Replacement Project

SCOPE	<ol style="list-style-type: none"> 1. Solar Engineering - Solar Arrays String Design for PV String Inverter and Switchgear Modifications 2. Troubleshoot existing DAS System determine if operational - replace if necessary. 3. Fly Thermal Imaging Drone to determine Bad Solar Panels and Array Trouble Spots - Replace Bad Solar Panels 4. Remove existing 600V PV Wire from all Solar Arrays, Replace with 1000V #10 PV Wire (Red & Black). 5. Remove existing PV Combiner Boxes. Replace with new Concrete Pad with Unistrut String Inverter Support System 6. Installation of QTY (20) customer supplied String Inverters, wire inverter per inverter Specification 7. Remove QTY (4) 250 kW PowerOne Central Inverter from Pads. Remove Old PV Inverters from solar site 8. Reconfigure existing switchgear for new PV Inverter Interconnection - Add Circuit Breakers (one per Inverter) 9. Test Continuity Interconnection PV Inverter to switchgear to transformer - determine wire integrity. 10. Interconnect inverter to existing home run back to Central Inverter Pad Switchgear. 11. Individual testing and interconnection of new solar array to PV Inverter to Switchgear 12. Perform system commissioning testing. Go-Live 	
ITEM	DESCRIPTION	AMOUNT
LABOR		\$ 189,087.89
MATERIAL		\$ 10,783.89
	TOTAL	\$ 199,871.78

Note: This is a Time and Materials Project Budget
 If you have any questions concerning this Quote please contact:
 Randy Armitson - Phone: (805) 896-4788 or Email: rarmison@endelosenergy.com

THANK YOU FOR YOUR BUSINESS!

EXHIBIT B

PAYMENT ARRANGEMENTS

Periodic Compensation

- A. For CONTRACTOR's services to be rendered under this contract, CONTRACTOR shall be paid a total contract amount, including cost reimbursements, not to exceed \$199,821.26.
- 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 DISTRICT.
- C. Monthly, CONTRACTOR shall submit to the DISTRICT 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. DESIGNATED REPRESENTATIVE shall evaluate the quality of the service performed and if found to be satisfactory shall initiate payment processing. DISTRICT shall pay invoices or claims for satisfactory work within 30 days of presentation.
- D. DISTRICT's failure to discover or object to any unsatisfactory work or billings prior to payment will not constitute a waiver of DISTRICT's right to require CONTRACTOR to correct such work or billings or seek any other legal remedy.

EXHIBIT C

Indemnification and Insurance Requirements (For Professional Contracts)

INDEMNIFICATION

A. Indemnification pertaining to other than Professional Services:

CONTRACTOR agrees to indemnify, defend and hold harmless DISTRICT and its officers, officials, employees, 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, arising out of or related to the CONTRACTOR'S work or activities for the DISTRICT and for any costs or expenses (including but not limited to reasonable attorneys' fees) incurred by DISTRICT on account of any such claim except where such indemnification is prohibited by law. CONTRACTOR's indemnification obligation does not apply to the DISTRICT'S sole negligence or willful misconduct.

B. Indemnification pertaining to Professional Services:

CONTRACTOR agrees to defend, indemnify and hold harmless DISTRICT and its officers, officials, employees, and volunteers from and against any and all claims, actions, losses, damages, judgments and/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.

NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

CONTRACTOR 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

CONTRACTOR 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 CONTRACTOR, 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 or equivalent 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 or equivalent 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.
4. **Professional Liability** (Errors and Omissions) Insurance appropriate to the CONTRACTOR's profession, with limit of no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

If the CONTRACTOR maintains higher limits than the minimums shown above, the DISTRICT requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR. 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 or equivalent 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).
2. **Primary Coverage** – For any claims related to this Agreement, the CONTRACTOR'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, its officers, officials, employees, agents or volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.
3. **Notice of Cancellation** – 30 day notice for cancellation except non-payment of premium where 10 day notice is provided.
4. **Waiver of Subrogation Rights** – CONTRACTOR hereby grants to DISTRICT a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the DISTRICT by virtue of the payment of any loss under such insurance. CONTRACTOR 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 CONTRACTOR 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** – CONTRACTOR 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 CONTRACTOR's obligation to provide them. The CONTRACTOR 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** – CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and CONTRACTOR shall ensure that DISTRICT is an additional insured on insurance required from subcontractors.
10. **Claims Made Policies** – If any of the required policies provide coverage on a claims-made basis:
 - i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
 - iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the CONTRACTOR must purchase “extended reporting” coverage for a minimum of five (5) years after completion of contract work.
11. **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. CONTRACTOR 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.