

Posted: 5/11/2024

Addendum 1:

Agenda Item 8: CAROLLO CONTRACT

Agenda Item 9: WSC CONTRACT

ITEM 8 – CAROLLO CONTRACT

CAROLLO CONTRACT

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN**

**THE LOS OLIVOS COMMUNITY SERVICES DISTRICT
AND
CAROLLO ENGINEERS, INC.**

This agreement is made and entered into, effective May 15, 2024 between the LOS OLIVOS COMMUNITY SERVICES DISTRICT, a California special district (“District”), and Carollo Engineers, Inc., a **California Corporation**, (“Consultant”).

RECITALS

WHEREAS, the District desires to contract with Consultant for certain professional engineering services necessary for the examination, development and cost estimating for a portion of the effort required to connect the District to the City of Solvang’s Waste Water Treatment Infrastructure and Plant (“WWTP”), such contracted effort shall be known as the (“Project”); and

WHEREAS, the City of Solvang (“City” or “Solvang”) a legal municipality within the State of California, selected the Consultant through a competitive bid process and recommended that the District use the Consultant due to the Consultant’s unique knowledge of the City’s WWTP; and

WHEREAS, the District seeks to understand the impacts and costs of connecting to the City for the treatment of waste water generated from within the District’s legal boundaries (“Influent”); and

WHEREAS, the City is not a direct participant in this agreement but has agreed to allow the District and Consultant to investigate, study, and develop engineering approaches to allow for the District to connect to the City’s WWTP; and

WHEREAS, Consultant represents that it has the qualifications and technical skills, experience and expertise to perform these services for the District.

NOW THEREFORE, based on the terms and conditions herein, the parties agree as follows:

1. Scope of Services

Consultant shall perform the professional services required to complete the Project for the District as described in the Scope of Work attached as Exhibit “B” and incorporated by reference herein.

All work and services by Consultant shall be performed in a diligent and professional manner.

Consultant warrants that its work and services shall be performed, within the limits prescribed by the District, in a manner consistent with the level of care and skill ordinarily exercised by environmental, planning, and engineering professionals under similar circumstances at the time its services are performed. No other warranty or representation, express or implied, is included or intended by Consultant's Proposal, this Agreement, or any reports or documents prepared herewithin.

Consultant agrees to undertake the discrete tasks outlined in Exhibit "B" only upon consultation with and authorization from the District's General Manager. Parties agree that any meetings identified within this agreement may be attended by Consultant using remote attendance technologies such as Zoom.

As further described on Exhibit "B", Consultant's Services include:

1. Participation in a kick-off meeting with District and City representatives; and monthly progress meetings.
2. Performing a review of applicable District, City of Solvang, County of Santa Barbara, State of California, and Federal documents for the purpose of completing the Project and making recommendations, including any applicable value engineering, related to transportation of waste water through the City's infrastructure and treatment of the waste water at the City's plant.
3. Reviewing data provided by District and City, including groundwater, drinking water supply, WWTP influent and effluent water quality and volumes. Constituents to be reviewed and evaluated include BOD, TSS, ammonia, total nitrogen, TDS, sodium, chloride, boron, and sulfate.
4. Evaluating existing WWTP capacity and the ability to accept new flows and loads from District.
5. Evaluating the impact of District flows and loads on the City's ability to comply with the NOA discharge requirements for constituents such as TDS, chloride, sulfate, sodium, and boron.
6. Providing cost estimates for capacity upgrades within the City's WWTP.
7. Creating a Technical Memorandum (TM) which includes identify the recommendation and conditions for the City to take additional flows and loads from District, as well as next steps for a feasible project.

8. Coordinating with City and District representatives to obtain guidance and information necessary to complete the Project.
9. Attending a meeting of the Board of Directors for the Los Olivos CSD to present findings and answer questions.

2. Term of Contract

Unless otherwise earlier terminated as specified in Section 9, this Agreement shall commence on the date set forth above and shall expire at completion of the Project no later than **October 31, 2024**. Consultant shall complete all work in accordance with the timelines set forth in the Proposal, unless both the District and Consultant agree, in writing, to an extension. Any such extension to the Term of Contract shall specify a date by which all work shall be completed.

3. Force Majeure

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement will be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the District, if the Consultant shall, within ten (10) days of the commencement of such delay, notify the District's Project Manager in writing of the causes of the delay. The Project Manager shall ascertain the facts and the extent of delay and extend the time for performing the services for the period of the enforced delay when and if, in the judgment of the Project Manager, such delay is justified. The Project Manager's determination is final. In no event will Consultant be entitled to recover damages against the District for any delay in the performance of this Agreement, however caused; Consultant's sole remedy being extension of the Agreement pursuant to this Section.

4. Independent Contractor Relationship

- a. It is expressly understood between the parties that no employee/employer relationship is intended, the relationship of Consultant to District being that of an independent contractor. District shall not be required to make any payroll deductions or provide Workers' Compensation Insurance coverage or health benefits to Consultant.
- b. Consultant is solely responsible for selecting the means, methods and procedures for performing its services hereunder as assigned by the District and for coordinating all portions of the work so the results will be satisfactory to District. Consultant will supply all

tools and instruments required to perform its services under this Agreement.

- c. Pursuant to this Agreement, Consultant is rendering professional services only and any payments made to it are compensation solely for such services as it may render and recommendations it may make in the performance of services.

5. Compliance with Laws

Consultant will be solely responsible for giving all notices and complying with any and all applicable laws, ordinances, rules, regulations and lawful orders of any public authority relating to Consultant's work, including but not limited to those relating to prevailing wage, copyright, trademark or other intellectual property matters.

6. Licenses, Permits, Fees and Assessments.

Consultant shall obtain at its sole cost and expense, such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments, taxes, including applicable penalties and interest, which may be imposed by law and arise from or are necessary due to negligence by the Consultant in the performance of the services required by this Agreement; and shall indemnify, defend and hold harmless District against any claim for such fees, assessments, taxes, penalties or interest levied, assessed or imposed against District hereunder.

7. Environmental Laws.

Consultant shall comply with all applicable environmental laws, ordinances, codes and regulations of Federal, State, and local governments. Consultant shall also comply with all applicable mandatory standards and policies relating to energy efficiency.

8. Acknowledgment of Relationship

- a. Consultant agrees that all dealings of the parties under this Agreement shall be confidential, and writings, reports, data, information or communication developed, prepared or assembled by Consultant under this Agreement, or any information made available to Consultant by District, shall not be revealed, disseminated or made available by Consultant to any person or entity other than District without the prior written consent of District, unless otherwise required by subpoena or applicable law.

- b. The Parties acknowledge that the City of Solvang is an indirect party to this agreement. While the City of Solvang has no direct financial interests related to the execution of this contract nor is the City of Solvang in any manner responsible for payment to Consultant for services rendered under this agreement, the City has granted authority to the Parties to perform the Project. The City, or its representative(s), may attend any meetings held between the Parties.
- c. The Parties agree that confidentiality, as specified in paragraph 8.a above, does not include the City of Solvang and its representatives. Any and all information gathered, developed, prepared, or assembled by Consultant may be shared with City and its representatives.

9. Payment to Consultant

- a. District shall pay Consultant monthly in proportion to the services performed plus reimbursable expenses and charges for any additional services approved in writing in advance by the District within forty-five (45) days after receipt of Consultant's invoices in a form approved by District's, with the exception of any disputed amounts which shall be withheld until resolution of the dispute. Payment terms are further described on Exhibit "C".

Total Project Cost not to Exceed: Forty Thousand, Two Hundred, Forty (\$ 40,240) dollars.

- b. No payment made under this Agreement shall be conclusive evidence of Consultant's performance of the Agreement, either wholly or in part, and no payment shall be construed to be an acceptance of Consultant's work.

10. Assistance by District

District agrees to provide to Consultant available information of relevance to Consultant's work, including all data and documents pertaining to the Project. District pledges to work cooperatively with Consultant and render all reasonable assistance toward completion of Consultant's work.

The District's Project Manager shall be General Manager, Guy Savage.

11. Ownership of Documentation

All maps, data, reports and other documentation (other than Consultant's drafts, notes and internal memoranda), including duplication of same

prepared by Consultant in the performance of these services, shall become the property of the District and shall be retained by the Consultant for a period of three years after completion of the Project. If requested by the District, all, or the designated portions of such documentation, shall be delivered to the District.

12. Termination of Contract

Consultant specifically acknowledges and agrees that the District may at any time during the term of this Agreement terminate Consultant's services with or without cause, and without penalty, at the completion of any phase of Consultant's services as set forth in Exhibit "B." Any termination or any special instructions hereunder from District shall be made in writing. In the event this Agreement is terminated, all data, specifications, documents and information generated by Consultant in connection with the Project shall be delivered to District and may be used by District. Copies of these materials may be retained by Consultant.

Upon termination, Consultant shall be compensated only for those Services which have been adequately rendered to District, and Consultant shall be entitled to no further compensation. If the Agreement is terminated by Consultant without cause, Consultant shall reimburse District for additional costs to be incurred by District in obtaining the work from another consultant.

13. Indemnification and Hold Harmless; Insurance Requirements

a. Indemnity for Professional Liability. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, and hold harmless District and its officers, employees, agents (the "District's Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorneys' fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees of subcontractors (or any entity or individual for which Consultant shall bear legal liability) in the performance of professional services under this Agreement.

b. Indemnity for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless District and District's Parties from and against any liability (including liability for claims, suits, actions, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, defense costs and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant

is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

c. Submission of insurance certificates or other proof of coverage shall not relieve Consultant from liability under this indemnification and hold harmless provisions. These provisions shall survive the termination of this Agreement and shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

d. Prior to the commencement of the Project, Consultant shall provide District with proof of the types and amounts of insurance described on Exhibit "A".

14. No Assignment

This Agreement is a personal services contract and work hereunder shall not be delegated or assigned by Consultant to any person or entity without the advance written consent of District. Consultant shall not employ any subcontractors for its work.

15. Examination of Records

Consultant agrees that District shall have access to and the right to examine at any reasonable time and on reasonable notice Consultant's documents, papers and records, including accounting records, relating to or involving this Agreement.

16. Notice

All notices or other official correspondence relating to contractual matters between the parties shall be made by depositing the same as first-class, postage paid mail addressed as follows:

To Consultant:

CAROLLO ENGINEERS, INC.
Attn: Jeff Weishaar or Lydia Holmes
707 Wilshire Blvd Suite 3920
Los Angeles, CA 90017

To District:

LOS OLIVOS COMMUNITY SERVICES DISTRICT
Attn: General Manager
PO Box 345
Los Olivos, CA 93441

or such other address as either party may designate hereinafter in writing delivered to the other party. All notices shall be agreed to have been received three (3) days after mailing.

17. No Waiver

No failure or delay by District in asserting any of District's rights and remedies as to any default of Consultant shall operate as a waiver of the default, of any subsequent or other default by Consultant, or of any of District's rights or remedies. No such delay shall deprive District of its right to institute and maintain any actions or proceeding which may be necessary to protect, assert or enforce any rights or remedies arising out of this Agreement or the performance of this Agreement.

18. Partial Invalidity

If any term, covenant, condition, or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby.

19. Terms

No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties. No oral understanding or agreement not incorporated herein shall be binding on any of the parties.

20. Incorporation of Recitals

The foregoing recitals are incorporated herein as though fully set forth.

21. California Law

This Agreement shall be interpreted and construed pursuant to the laws of the State of California. Any dispute between the parties shall be filed and heard in a court of competent jurisdiction in the County of Santa Barbara, State of California.

22. Additional Provisions

Consultant agrees that no full time employee of District shall be employed by its firm during the period that this Agreement is in effect.

23. Nondiscrimination

Consultant agrees that he will abide by all applicable federal, state, and local laws, rules and regulations concerning nondiscrimination and equal opportunity

in contracting. Such laws include, but are not limited to, the following; Title VII of the Civil Rights Act of 1964 as amended; the Americans with Disabilities Act of 1990; the California Fair Employment and Housing Act; and California Labor Code sections 1101 and 1102. Consultant shall not discriminate against any employee, subcontractor, or officer of the District because of race, age, color, ancestry, religion, sex/gender, sexual orientation or identification, mental disability, physical disability, national origin, political beliefs, organizational affiliation, or marital status in the selection for training, hiring, contracting, utilization, or other forms of compensation. Consultant shall not discriminate in providing the services under this Agreement because of age, race, color, national origin, ancestry, religion, sex/gender, sexual orientation or identification, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, marital status, or other category protected under the law. If District finds that any of these provisions have been willfully violated, such violation shall constitute a material breach of Agreement upon which District may determine to cancel, terminate, or suspend this Agreement. In addition to an independent finding by District of such violation, a finding by the State of California or by the United States of a violation shall constitute a finding by District of such violation.

24. Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to reasonable attorneys' fees, whether or not the matter proceeds to judgment, and to all other reasonable costs for investigating such action, taking depositions and discovery, including all other necessary costs the court allows which are incurred in such litigation.

25. Conflict of Interest.

Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement. Consultant shall comply with all conflict of interest laws and regulations.

26. Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

27. Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to

execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

DISTRICT:
LOS OLIVOS COMMUNITY SERVICES DISTRICT

By: _____
Julie Kennedy, President
Los Olivos Community Services District

ATTEST:



Guy Savage, General Manager _____

CONSULTANT:
Carollo Engineers, Inc.

By: _____
Jeff Weishaar
Vice President

EXHIBIT "A"

**LOS OLIVOS COMMUNITY SERVICES DISTRICT
INSURANCE REQUIREMENTS**

Consultant shall procure and maintain for the duration of the Agreement (and thereafter as specified herein) insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by Consultant, his agents, representatives, employees or subcontractors.

MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 00 01).
2. Insurance Services Office form number CA 00 01 covering Automobile Liability, Code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

MINIMUM LIMITS OF INSURANCE

Consultant shall maintain limits no less than:

1. General Liability (Including operations, products and completed operations, as applicable): \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
4. Errors and Omissions Liability: A policy of professional liability insurance in an amount not less than \$1,000,000 per occurrence.

5. Contractors Pollution Liability: N/A
6. Asbestos Pollution Liability: N/A

DEDUCTIBLES AND SELF-INSURED RETENTION

Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District and its directors, officers, employees, agents and volunteers (collectively "District Parties"), or (2) Consultant shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claim administration and defense expenses.

OTHER INSURANCE PROVISIONS`

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The District and District Parties are to be covered as insureds as respects: liability arising out of work or operations performed by or on behalf of the Architect; or automobiles owned, leased, hired or borrowed by Consultant.
2. For any claims related to this Agreement, Consultant's insurance coverage shall be primary insurance as respects the District and District Parties. Any insurance or self-insurance maintained by the District and District Parties shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) day's prior written notice has been provided to the District.

If General Liability, Contractors Pollution Liability and/or Asbestos Pollution Liability and/or Errors & Omissions coverage's are written on a claims-made form:

1. The retroactive date must be shown, and must be before the date of this Agreement or the beginning of work on the Project.
2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of the Project.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Agreement

effective date, Consultant must purchase an extended period coverage for a minimum of five (5) years after completion of the Project.

4. A copy of the claims reporting requirements must be submitted to the District for review and approval.

ACCEPTABILITY OF INSURERS

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the District. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

VERIFICATION OF COVERAGE

Consultant shall furnish the District with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the District, or on other than the District's forms provided those endorsements conform to District requirements and are acceptable to the District. All certificates and endorsements are to be received and approved by the District before work commences. However, failure to do so shall not operate as a waiver of these insurance requirements. The District reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

SUB-CONTRACTORS

Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage's for subcontractor shall be subject to all of the requirements stated herein.

END OF PAGE

EXHIBIT "B"
SCOPE OF WORK

END OF PAGE

EXHIBIT “C”

COMPENSATION AND TIMING

The total compensation for the Project shall not exceed: Forty Thousand, Two Hundred, Forty (\$ 40,240) dollars.

Consultant may request compensation from the District based on the following deliverables. Each amount shall be billed by Consultant and paid by District in accordance with the terms of this contract. All amounts are assumed to be an “up to” amount.

Deliverable 1: Sampling Plan (\$7,500)

Deliverable 2: Draft Capacity Analysis (\$7,500)

Deliverable 3: Draft Water Quality Analysis (\$7,500)

Deliverable 4: Draft Technical Memorandum (\$7,500)

Deliverable 5: Final Technical Memorandum and Presentation to District Board of Directors (\$10,240)

END OF PAGE

ITEM 9 - WSC CONTRACT

WSC CONTRACT

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN**

**THE LOS OLIVOS COMMUNITY SERVICES DISTRICT
AND
WATER SYSTEMS CONSULTING, INC.**

This agreement is made and entered into, effective May 15, 2024 between the LOS OLIVOS COMMUNITY SERVICES DISTRICT, a California special district (“District”), and Water Systems Consulting, Inc., a California Corporation, (“Consultant”).

RECITALS

WHEREAS, the District desires to contract with Consultant for certain professional engineering services necessary for the examination, development and cost estimating for a portion of the effort required to connect the District to the City of Solvang’s Waste Water Treatment Infrastructure and Plant (“WWTP”), such contracted effort shall be known as the (“Project”); and

WHEREAS, the City of Solvang (“City” or “Solvang”) a legal municipality within the State of California, selected the Consultant through a competitive bid process and recommended that the District use the Consultant due to the Consultant’s unique knowledge of the City’s WWTP; and

WHEREAS, the District seeks to understand the hydraulic loading, impacts and costs of connecting to the City for the treatment of waste water generated from within the District’s legal boundaries (“Influent”); and

WHEREAS, the City is not a direct participant in this agreement but has agreed to allow the District and Consultant to investigate, study, and develop engineering approaches to allow for the District to connect to the City’s WWTP; and

WHEREAS, Consultant represents that it has the qualifications and technical skills, experience and expertise to perform these services for the District.

NOW THEREFORE, based on the terms and conditions herein, the parties agree as follows:

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Consultant warrants that its work and services shall be performed, within the limits prescribed by the District, in a manner consistent with the level of care and skill ordinarily exercised by environmental, planning, and engineering professionals under similar circumstances at the time its services are performed. No other warranty or representation, express or implied, is included or intended by Consultant's Proposal, this Agreement, or any reports or documents prepared herewithin.

Consultant agrees to undertake the discrete tasks outlined in Exhibit "B" only upon consultation with and authorization from the District's General Manager.

As further described on Exhibit "B", Consultant's Services include:

1. Participation in a kick-off meeting with District and City representatives; and monthly progress meetings.
2. Performing a review of applicable District, City of Solvang, County of Santa Barbara, State of California, and Federal documents for the purpose of completing the Project and making recommendations, including any applicable value engineering, related to transportation of waste water through the City's infrastructure and treatment of the waste water at the City's plant.
3. Completing hydraulic analysis of the impact of adding the District's waste water to the City's WWTP.
4. Identifying capacity constraints in the City's collection system driven by the acceptance and treatment of the District's Influent.
5. Providing cost estimates for capacity upgrades within the City's WWTP.
6. Coordinating with City and District representatives to obtain guidance and information necessary to complete the Project.
7. Attending a meeting of the Board of Directors for the Los Olivos CSD to present findings and answer questions.

2. Term of Contract

Unless otherwise earlier terminated as specified in Section 9, this Agreement shall commence on the date set forth above and shall expire at completion of the Project no later than **October 31, 2024**. Consultant shall complete all work in

accordance with the timelines set forth in the Proposal, unless both the District and Consultant agree, in writing, to an extension. Any such extension to the Term of Contract shall specify a date by which all work shall be completed.

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The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement will be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the District, if the Consultant shall, within ten (10) days of the commencement of such delay, notify the District's Project Manager in writing of the causes of the delay. The Project Manager shall ascertain the facts and the extent of delay and extend the time for performing the services for the period of the enforced delay when and if, in the judgment of the Project Manager, such delay is justified. The Project Manager's determination is final. In no event will Consultant be entitled to recover damages against the District for any delay in the performance of this Agreement, however caused; Consultant's sole remedy being extension of the Agreement pursuant to this Section.

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- a. It is expressly understood between the parties that no employee/employer relationship is intended, the relationship of Consultant to District being that of an independent contractor. District shall not be required to make any payroll deductions or provide Workers' Compensation Insurance coverage or health benefits to Consultant.
- b. Consultant is solely responsible for selecting the means, methods and procedures for performing its services hereunder as assigned by the District and for coordinating all portions of the work so the results will be satisfactory to District. Consultant will supply all tools and instruments required to perform its services under this Agreement.
- c. Pursuant to this Agreement, Consultant is rendering professional services only and any payments made to it are compensation solely for such services as it may render and recommendations it may make in the performance of services.

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Consultant shall comply with all applicable environmental laws, ordinances, codes and regulations of Federal, State, and local governments. Consultant shall also comply with all applicable mandatory standards and policies relating to energy efficiency.

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- b. The Parties acknowledge that the City of Solvang is an indirect party to this agreement. While the City of Solvang has no direct financial interests related to the execution of this contract nor is the City of Solvang in any manner responsible for payment to Consultant for services rendered under this contract, the City has granted authority to the Parties to perform the Project. The City, or its representative(s), may attend any meetings held between the Parties.

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Total Project Cost not to Exceed: Eighteen Thousand, Seven Hundred, Eighty-Seven (\$ 18,787) dollars.

- b. No payment made under this Agreement shall be conclusive evidence of Consultant's performance of the Agreement, either wholly or in part, and no payment shall be construed to be an acceptance of Consultant's work.

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The District's Project Manager shall be General Manager, Guy Savage.

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Upon termination, Consultant shall be compensated only for those Services which have been adequately rendered to District, and Consultant shall be entitled to no further compensation. If the Agreement is terminated by Consultant without cause, Consultant shall reimburse District for additional costs to be incurred by District in obtaining the work from another consultant.

13. Indemnification and Hold Harmless; Insurance Requirements

a. Indemnity for Professional Liability. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, and hold harmless District and its officers, employees, agents (the "District's Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorneys' fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees of subcontractors (or any entity or individual for which Consultant shall bear legal liability) in the performance of professional services under this Agreement.

b. Indemnity for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless District and District's Parties from and against any liability (including liability for claims, suits, actions, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, defense costs and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

c. Submission of insurance certificates or other proof of coverage shall not relieve Consultant from liability under this indemnification and hold harmless provisions. These provisions shall survive the termination of this Agreement and shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

d. Prior to the commencement of the Project, Consultant shall provide District with proof of the types and amounts of insurance described on Exhibit "A".

14. No Assignment

This Agreement is a personal services contract and work hereunder shall not be delegated or assigned by Consultant to any person or entity without the advance written consent of District. Consultant shall not employ any subcontractors for its work.

15. Examination of Records

Consultant agrees that District shall have access to and the right to examine at any reasonable time and on reasonable notice Consultant's documents, papers and records, including accounting records, relating to or involving this Agreement.

16. Notice

All notices or other official correspondence relating to contractual matters between the parties shall be made by depositing the same as first-class, postage paid mail addressed as follows:

To Consultant:

WATER SYSTEMS CONSULTING, INC (WSC)
Attn: Joshua Reynolds or Adam Donald
805 Aerovista Place, Suite 201
San Luis Obispo, CA 93401

To District:

LOS OLIVOS COMMUNITY SERVICES DISTRICT
Attn: General Manager
PO Box 345
Los Olivos, CA 93441

or such other address as either party may designate hereinafter in writing delivered to the other party. All notices shall be agreed to have been received three (3) days after mailing.

17. No Waiver

No failure or delay by District in asserting any of District's rights and remedies as to any default of Consultant shall operate as a waiver of the default, of any subsequent or other default by Consultant, or of any of District's rights or remedies. No such delay shall deprive District of its right to institute and maintain

any actions or proceeding which may be necessary to protect, assert or enforce any rights or remedies arising out of this Agreement or the performance of this Agreement.

18. Partial Invalidity

If any term, covenant, condition, or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby.

19. Terms

No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties. No oral understanding or agreement not incorporated herein shall be binding on any of the parties.

20. Incorporation of Recitals

The foregoing recitals are incorporated herein as though fully set forth.

21. California Law

This Agreement shall be interpreted and construed pursuant to the laws of the State of California. Any dispute between the parties shall be filed and heard in a court of competent jurisdiction in the County of Santa Barbara, State of California.

22. Additional Provisions

Consultant agrees that no full time employee of District shall be employed by its firm during the period that this Agreement is in effect.

23. Nondiscrimination

Consultant agrees that he will abide by all applicable federal, state, and local laws, rules and regulations concerning nondiscrimination and equal opportunity in contracting. Such laws include, but are not limited to, the following; Title VII of the Civil Rights Act of 1964 as amended; the Americans with Disabilities Act of 1990; the California Fair Employment and Housing Act; and California Labor Code sections 1101 and 1102. Consultant shall not discriminate against any employee, subcontractor, or officer of the District because of race, age, color, ancestry, religion, sex/gender, sexual orientation or identification, mental disability, physical disability, national origin, political beliefs, organizational affiliation, or marital status in the selection for training, hiring, contracting, utilization, or other forms of compensation. Consultant shall not discriminate in providing the services under this Agreement

because of age, race, color, national origin, ancestry, religion, sex/gender, sexual orientation or identification, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, marital status, or other category protected under the law. If District finds that any of these provisions have been willfully violated, such violation shall constitute a material breach of Agreement upon which District may determine to cancel, terminate, or suspend this Agreement. In addition to an independent finding by District of such violation, a finding by the State of California or by the United States of a violation shall constitute a finding by District of such violation.

24. Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to reasonable attorneys' fees, whether or not the matter proceeds to judgment, and to all other reasonable costs for investigating such action, taking depositions and discovery, including all other necessary costs the court allows which are incurred in such litigation.

25. Conflict of Interest.

Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement. Consultant shall comply with all conflict of interest laws and regulations.

26. Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

27. Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

DISTRICT:
LOS OLIVOS COMMUNITY SERVICES DISTRICT

By: _____
Julie Kennedy, President
Los Olivos Community Services District

ATTEST:



Guy Savage, General Manager _____

CONSULTANT:
Water Systems Consulting, Inc.

By: _____
<<name>>
Chief Executive Officer

EXHIBIT "A"

**LOS OLIVOS COMMUNITY SERVICES DISTRICT
INSURANCE REQUIREMENTS**

Consultant shall procure and maintain for the duration of the Agreement (and thereafter as specified herein) insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by Consultant, his agents, representatives, employees or subcontractors.

MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 00 01).
2. Insurance Services Office form number CA 00 01 covering Automobile Liability, Code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

MINIMUM LIMITS OF INSURANCE

Consultant shall maintain limits no less than:

1. General Liability (Including operations, products and completed operations, as applicable): \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
4. Errors and Omissions Liability: A policy of professional liability insurance in an amount not less than \$1,000,000 per occurrence.

5. Contractors Pollution Liability: N/A
6. Asbestos Pollution Liability: N/A

DEDUCTIBLES AND SELF-INSURED RETENTION

Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District and its directors, officers, employees, agents and volunteers (collectively "District Parties"), or (2) Consultant shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claim administration and defense expenses.

OTHER INSURANCE PROVISIONS`

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The District and District Parties are to be covered as insureds as respects: liability arising out of work or operations performed by or on behalf of the Architect; or automobiles owned, leased, hired or borrowed by Consultant.
2. For any claims related to this Agreement, Consultant's insurance coverage shall be primary insurance as respects the District and District Parties. Any insurance or self-insurance maintained by the District and District Parties shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) day's prior written notice has been provided to the District.

If General Liability, Contractors Pollution Liability and/or Asbestos Pollution Liability and/or Errors & Omissions coverage's are written on a claims-made form:

1. The retroactive date must be shown, and must be before the date of this Agreement or the beginning of work on the Project.
2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of the Project.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Agreement

effective date, Consultant must purchase an extended period coverage for a minimum of five (5) years after completion of the Project.

4. A copy of the claims reporting requirements must be submitted to the District for review and approval.

ACCEPTABILITY OF INSURERS

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the District. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

VERIFICATION OF COVERAGE

Consultant shall furnish the District with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the District, or on other than the District's forms provided those endorsements conform to District requirements and are acceptable to the District. All certificates and endorsements are to be received and approved by the District before work commences. However, failure to do so shall not operate as a waiver of these insurance requirements. The District reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

SUB-CONTRACTORS

Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage's for subcontractor shall be subject to all of the requirements stated herein.

END OF PAGE

EXHIBIT "B"
SCOPE OF WORK

END OF PAGE

EXHIBIT “C”

COMPENSATION AND TIMING

The total compensation for the Project shall not exceed eighteen thousand, seven hundred, and eighty-seven dollars (\$18,787). Compensation shall be paid to Consultant by District according to the following schedule:

Deliverable 1: Draft hydraulic model Technical Memorandum (TM) (\$5,000)

Deliverable 2: Final hydraulic model TM (\$5,000)

Deliverable 3: Final Technical Memorandum (TM) – including cost models, and value engineering recommendations (if any) (\$5,000)

Deliverable 4: Presentation of final hydraulic models and TM at a District Board of Directors meeting (\$3,787)

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