# PROFESSIONAL CONSULTANT SERVICES AGREEMENT Corrosion Management Staffing Support Services Specification No. CS-2019-1071BD

| THIS AGREEMENT is made and entered into as of the date fully executed below, by and between Orange County Sanitation District, with a principal place of business at 10844 Ellis Avenue Fountain Valley, CA 92708 (hereinafter referred to as "OCSD") and [          |
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| WITNESSETH   |
| <b>WHEREAS</b> , based on Consultant's expertise and experience, OCSD desires to temporarily engage Consultant to provide Corrosion Management Staffing Support Services "Services" as described in Exhibit "A"; and   |
| WHEREAS, Consultant submitted its Proposal, dated []; and  |
| WHEREAS, on, the Board of Directors of OCSD, by minute order authorized execution of this Agreement between OCSD and Consultant; and   |
| <b>WHEREAS</b> , OCSD has chosen Consultant to conduct Services in accordance with Ordinance No. OCSD-52; and  |
| <b>NOW, THEREFORE</b> , in consideration of the mutual promises and mutual benefits exchanged between the Parties, the Parties mutually agree as follows:  |
| <ul> <li>1. <u>Introduction</u></li> <li>1.1 This Agreement and all exhibits hereto (called the "Agreement") is made by OCSD and the Consultant. The terms and conditions herein exclusively govern the purchase of Services as described in Exhibit "A".</li> </ul> |
| 1.2 Exhibits to this Agreement are incorporated by reference and made a part of this Agreement as though fully set forth at length herein.   |
| Exhibit "A" Scope of Work Exhibit "B" Proposal Exhibit "C" Acknowledgement of Insurance Requirements Exhibit "D" OCSD Safety Standards Exhibit "E" Human Resources Policies Exhibit "F" Allowable Direct Costs   |

- 1.3 In the event of any conflict or inconsistency between the provisions of this Agreement and any of the provisions of the exhibits hereto, the provisions of this Agreement shall in all respects govern and control.
- 1.4 This Agreement may not be modified, changed, or supplemented, nor may any obligations hereunder be waived or extensions of time for performance granted, except by written instrument signed by both Parties.
- 1.5 The various headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any section or provision hereof.

- 1.6 The term "days", when used in the Agreement, shall mean calendar days, unless otherwise noted as workdays.
- 1.7 The term "workday". Workdays are defined as all days that are not Saturday, Sunday, or OCSD observed holidays. Meetings with OCSD staff shall be scheduled from Monday through Thursday between the hours of 8 a.m. and 4 p.m. (exception is Operations staff who maintain plant operations 24/7 and work a rotated 12-hour shift) and shall conform to OCSD work schedules. OCSD review periods shall not include OCSD observed holidays.
- 1.8 OCSD holidays (non-working days) are as follows: New Year's Day, Lincoln's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
- 1.9 Work Hours: The work required under this Agreement may include normal business hours, evenings, and weekends. OCSD will not pay for travel time.
- 1.10 Consultant shall provide OCSD with all required premiums and/or overtime work at no charge beyond the total amount of the Agreement.
- 1.11 Except as expressly provided otherwise, OCSD accepts no liability for any expenses, losses, or action incurred or undertaken by Consultant as a result of work performed in anticipation of purchases of said Services by OCSD.
- 2. <u>Scope of Work</u> Subject to the terms of this Agreement, Consultant shall perform the Services identified in Exhibit "A". Consultant warrants that all of its Services shall be performed in a competent, professional, and satisfactory manner.
- 3. <u>Modifications to Scope of Work</u> Requests for modifications to the Scope of Work hereunder can be made by OCSD at any time. All modifications must be made in writing and signed by both Parties. A review of the time required for the modification will be made by OCSD and Consultant and the Agreement period adjusted accordingly.

#### 4. Compensation

- 4.1 Compensation to be paid by OCSD to Consultant for the Services provided under this Agreement shall be a total amount not to exceed Dollars (\$ 1.00).
- As a portion of the total compensation to be paid to Consultant, OCSD shall pay to Consultant a sum equal to the burdened salaries (salaries plus benefits, overhead, and profit per Exhibit "B") actually paid by Consultant charged on an hourly-rate basis and paid to the personnel of Consultant not to exceed the maximum hourly rates per Exhibit "B-1". Upon request of OCSD, Consultant shall provide OCSD with certified payroll records of all employees' work that is charged to this Agreement.
- 4.3 "Field Staff" are defined as staff on-site at OCSD facilities assigned by Consultant, working at OCSD's facilities for an assigned period exceeding thirty (30) continuous calendar days. The overhead rates for Field Staff are included in Exhibit "B".
- 4.4 "Home Office Staff" are defined as staff assigned by Consultant, supporting the assigned work, either by working at Consultant's or subconsultant's offices or at OCSD's site for periods less than thirty (30) continuous calendar days. The overhead rates for Home Office Staff are included in Exhibit "B".

- 4.5 Profit for Consultant and subconsultants shall be nine percent (9%). Amendments shall be governed by the same maximum profit percentage. As a portion of the total compensation to be paid to Consultant and subconsultants, OCSD shall pay profit for all services rendered by Consultant and subconsultants for this Agreement.
- 4.6 For all subconsultants, Consultant may pay to subconsultants total compensation on an hourly-rate basis per Exhibit "B" and as specified in the Exhibit "A". OCSD shall pay to Consultant the actual costs of subconsultants, without markup.
- 4.7 For purposes of adjusting the maximum hourly rates agreed to by the Parties in Exhibit "B-1" for Consultant employees and any subconsultant employees performing services under this Agreement shall be adjusted annually based on the Consumer Price Index (CPI) of Los Angeles-Long Beach-Anaheim, California as of September of each year. This rate is from the United States Department of Labor Bureau of Labor Statistics. The annual salary figures used in calculating hourly rates shall not otherwise be adjusted, regardless of whether any Consultant employees may have received a salary increase form Consultant that exceeds the increase in CPI. The annual adjustments shall not exceed three percent (3%). The first hourly rate escalation will occur January 1, 2021.
- 4.8 OCSD will reimburse the Consultant for reasonable travel and business expenses as described in this section and further described in Exhibit "F" Allowable Direct Costs to this Agreement. The reimbursement of the above mentioned expenses will be based on an "accountable plan" as considered by U.S. Internal Revenue Service (IRS). The plan includes a combination of reimbursements based upon receipts and a "per diem" component approved by IRS. The most recent schedule of the per diem rates utilized by OCSD can be found on the U.S. General Services Administration (GSA) website at http://www.gsa.gov/portal/category/104711#.

The Consultant shall be responsible for the most economical and practical means or management of reimbursable costs inclusive, but not limited to, travel, lodging and meals arrangements. OCSD shall apply the most economic and practical method of reimbursement which may include reimbursements based upon receipts and/or "per diem" as deemed the most practical.

Consultant shall be responsible for returning to OCSD any excess reimbursements after the reimbursement has been paid by OCSD.

Travel and travel arrangements – Any travel involving airfare, overnight stays or multiple day attendance must be approved by OCSD in advance.

Local travel is considered travel by the Consultant within the OCSD geographical area which includes Orange, Los Angeles, Ventura, San Bernardino, Riverside, San Diego, Imperial and Kern Counties. Automobile mileage is reimbursable if Consultant is required to utilize personal vehicles for local travel.

Lodging – Overnight stays will not be approved by OCSD for local travel. However, under certain circumstances overnight stay may be allowed at the discretion of OCSD based on reasonableness of meeting schedules and the amount of time required for travel by the Consultant. Such determination will be made on a case-by-case basis and at the discretion of OCSD.

Travel Meals – Per-diem rates as approved by the IRS shall be utilized for travel meals reimbursements. Per Diem rates shall be applied to meals that are appropriate for travel times. Receipts are not required for the approved meals.

Additional details related to the reimbursement of the allowable direct costs are provided in Exhibit "F" to this Agreement.

OCSD shall also pay to Consultant actual costs for equipment rentals, leases or purchases with prior approval of OCSD.

OCSD will not pay per diem for Field Staff nor will it pay for any relocation of staff to be assigned under this Agreement.

## 5. California Department of Industrial Relations (DIR)Registration and Record of Wages

- 5.1 To the extent Consultant's employees and/or subconsultants who will perform work for which Prevailing Wage Determinations have been issued by the DIR and as more specifically defined under Labor Code Section 1720 et seq, Consultant and subconsultants shall comply with the registration requirements of Labor Code Section 1725.5. Pursuant to Labor Code Section 1771.4, the work is subject to compliance monitoring and enforcement by the DIR.
- 5.2 The Consultant and subconsultants shall maintain accurate payroll records and shall comply with all the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.
- 5.3 Pursuant to Labor Code Section 1776, the Consultant and subconsultants shall furnish a copy of all certified payroll records to OCSD and/or general public upon request, provided the public request is made through OCSD, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement of the Department of Industrial Relations.
- 5.4 The Consultant and subconsultants shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).

## 6. Payment and Invoicing

- 6.1 OCSD shall pay, net thirty (30) days, upon receipt and approval, by OCSD's Project Manager or designee, of itemized invoices submitted monthly for Services rendered as required in Exhibit "A". OCSD, at its sole discretion, shall be the determining party as to whether the Services have been satisfactorily completed.
- 6.2 Invoices shall be emailed by Consultant to OCSD Accounts Payable at <a href="mailto:APStaff@OCSD.com">APStaff@OCSD.com</a> and "INVOICE" with the Purchase Order Number and Specification No. CS-2019-1071BD shall be referenced in the subject line.
- 7. <u>Audit Rights</u> Consultant agrees that, during the term of this Agreement and for a period of three (3) years after its termination, OCSD shall have access to and the right to examine any directly pertinent books, documents, and records of Consultant relating to the invoices submitted by Consultant pursuant to this Agreement.

**8.** <u>Commencement and Term</u> The Services provided under this Agreement shall be for the period of one (1) year commencing on January 1, 2020 and continuing through December 31, 2020.

### 9. Renewals

- 9.1 OCSD may exercise the option to renew this Agreement for up to four (4) one-year periods based upon the criteria set forth in Exhibit "A", under the terms and conditions contained herein. OCSD shall make no obligation to renew nor give reason if it elects not to renew.
- 9.2 This Agreement may be renewed by OCSD Purchase Order.
- **10.** <u>Extensions</u> The term of this Agreement may be extended only by written instrument signed by both Parties.
- 11. <u>Performance</u> Time is of the essence in the performance of the provisions hereof.

#### 12. <u>Termination</u>

- 12.1 OCSD reserves the right to terminate this Agreement for its convenience, with or without cause, in whole or in part, at any time, by written notice from OCSD. Upon receipt of a termination notice, Consultant shall immediately discontinue all work under this Agreement (unless the notice directs otherwise). OCSD shall thereafter, within thirty (30) days, pay Consultant for work performed (cost and fee) to the date of termination. Consultant expressly waives any claim to receive anticipated profits to be earned during the uncompleted portion of this Agreement. Such notice of termination shall terminate this Agreement and release OCSD from any further fee, cost or claim hereunder by Consultant other than for work performed to the date of termination.
- 12.2 OCSD reserves the right to terminate this Agreement immediately upon OCSD's determination that Consultant is not complying with the Scope of Work requirements, if the level of service is inadequate, or any other default of this Agreement.
- 12.3 OCSD may also immediately terminate for default of this Agreement in whole or in part by written notice to Consultant:
  - if Consultant becomes insolvent or files a petition under the Bankruptcy Act; or
  - if Consultant sells its business; or
  - if Consultant breaches any of the terms of this Agreement; or
  - if total amount of compensation exceeds the amount authorized under this Agreement.
- 12.4 All OCSD property in the possession or control of Consultant shall be returned by Consultant to OCSD on demand, or at the termination of this Agreement, whichever occurs first.
- 13. <u>Indemnification and Hold Harmless Provision</u> Consultant shall assume all responsibility for damages to property and/or injuries to persons, including accidental death, which may arise out of or be caused by Consultant's services under this Agreement, or by its subconsultant(s) or by anyone directly or indirectly employed by Consultant, and whether such damage or injury shall accrue or be discovered before or after the termination of the Agreement. Except as to the sole active negligence of or willful misconduct of OCSD, Consultant shall indemnify, protect, defend and hold harmless OCSD, its elected and appointed officials, officers, agents and employees, from and against any and all claims, liabilities, damages or expenses of any nature, including attorneys' fees: (a) for injury to or death of any person or damage to property or interference with the use of property, arising

out of or in connection with Consultant's performance under the Agreement, and/or (b) on account of use of any copyrighted or uncopyrighted material, composition, or process, or any patented or unpatented invention, article or appliance, furnished or used under the Agreement, and/or (c) on account of any goods and services provided under this Agreement. This indemnification provision shall apply to any acts or omissions, willful misconduct, or negligent misconduct, whether active or passive, on the part of Consultant or anyone employed by or working under Consultant. To the maximum extent permitted by law, Consultant's duty to defend shall apply whether or not such claims, allegations, lawsuits, or proceedings have merit or are meritless, or which involve claims or allegations that any of the parties to be defended were actively, passively, or concurrently negligent, or which otherwise assert that the parties to be defended are responsible, in whole or in part, for any loss, damage, or injury. Consultant agrees to provide this defense immediately upon written notice from OCSD, and with well qualified, adequately insured, and experienced legal counsel acceptable to OCSD. This section shall survive the expiration or early termination of the Agreement.

- 14. <u>Insurance</u> Consultant and all subconsultants shall purchase and maintain, throughout the life of this Agreement and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Acknowledgement of Insurance Requirements, Exhibit "C". Consultant shall not commence work under this Agreement until all required insurance is obtained in a form acceptable to OCSD, nor shall Consultant allow any subconsultant to commence service pursuant to a subcontract until all insurance required of the subconsultant has been obtained. Failure to maintain required insurance coverage shall result in termination of this Agreement.
- 15. <u>Key Personnel</u> Personnel, as provided in Exhibit "B", are considered "key" to the work under this Agreement and will be available for the term of the Agreement. No person designated as key under this Agreement shall be removed or replaced without prior written consent of OCSD. If OCSD requests Consultant to remove a person designated as key under this Agreement, Consultant agrees to do so immediately regardless of the reason, or the lack of reason, for OCSD's request. Consultant shall assign only competent personnel to perform Services pursuant to this Agreement.

#### 16. Confidentiality and Non-Disclosure

- 16.1 Consultant acknowledges that in performing the Services hereunder, OCSD may have to disclose to Consultant orally and in writing certain confidential information that OCSD considers proprietary and has developed at great expense and effort.
- 16.2 Consultant agrees to maintain in confidence and not disclose to any person, firm, or corporation, without OCSD's prior written consent, any trade secret or confidential information, knowledge or data relating to the products, process, or operation of OCSD.
- 16.3 Consultant further agrees to maintain in confidence and not to disclose to any person, firm, or corporation any data, information, technology, or material developed or obtained by Consultant during the term of this Agreement.
- 16.4 Consultant agrees as follows:
  - To use the confidential information only for the purposes described herein; to not reproduce the confidential information; to hold in confidence and protect the confidential information from dissemination to and use by anyone not a party to this Agreement; and to not use the confidential information to benefit itself or others.

- To restrict access to the confidential information to its Consultant or personnel of Consultant who (1) have a need to have such access and (2) have been advised of and have agreed in writing to treat such information in accordance with the terms of this Agreement.
- To return all confidential information in Consultant's possession upon termination of this Agreement or upon OCSD's request, whichever occurs first.
- To hold in confidence information and materials, if any, developed pursuant to the Services hereunder.
- 16.5 The provisions of this section shall survive termination or expiration of this Agreement and shall continue for so long as the material remains confidential.
- Ownership of Documents All drawings, specifications, reports, records, documents, memoranda, correspondence, computations, and other materials prepared by Consultant, its employees, subconsultants, and agents in the performance of this Agreement shall be the property of OCSD and shall be promptly delivered to OCSD upon request of OCSD's Project Manager or designee, or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by OCSD of its full rights of ownership of the documents and materials hereunder. Any use of such completed documents for other projects and/or use of incomplete documents without specific written authorization by the Consultant will be at OCSD's sole risk and without liability to Consultant. Consultant shall ensure that all its subconsultants shall provide for assignment to OCSD of any documents or materials prepared by them.

### 18. Ownership of Intellectual Property

- 18.1 Consultant agrees that all designs, plans, reports, specifications, drawings, schematics, prototypes, models, inventions, and all other information and items made during the course of this Agreement and arising from the Services (hereinafter referred to as "New Developments") shall be and are assigned to OCSD as its sole and exclusive property.
- 18.2 Consultant agrees to promptly disclose to OCSD all such New Developments. Upon OCSD's request, Consultant agrees to assist OCSD, at OCSD's expense, to obtain patents or copyrights for such New Developments, including the disclosure of all pertinent information and data with respect thereto, the execution of all applications, specifications, assignments, and all other instruments and papers which OCSD shall deem necessary to apply for and to assign or convey to OCSD, its successors and assigns, the sole and exclusive right, title and interest in such New Developments. Consultant agrees to obtain or has obtained written assurances from its employees and contract personnel of their agreement to the terms hereof with regard to New Developments and confidential information.
- 18.3 Consultant warrants that Consultant has good title to any New Developments, and the right to assign New Developments to OCSD free of any proprietary rights of any other party or any other encumbrance whatever.
- 18.4 The originals of all computations, drawings, designs, graphics, studies, reports, manuals, photographs, videotapes, data, computer files, and other documents prepared or caused to be prepared by Consultant or its subconsultants in connection with these Services shall be delivered to and shall become the exclusive property of OCSD. OCSD may utilize these documents for OCSD applications on other projects or extensions of this project, at its own risk.

#### 19. No Solicitation of Employees

- 19.1 Consultant agrees that it shall not, during the term of this Agreement and for a period of one (1) year immediately following termination of this Agreement, or any extension hereof, call on, solicit, or take away any of the employees whom Consultant became aware of as a result of Consultant's Services to OCSD.
- 19.2 Consultant acknowledges that OCSD's employees are critical to its business and OCSD expends significant resources to hire, employ, and train employees. Should Consultant employ or otherwise engage OCSD's employees during the term of this Agreement and for a period of one (1) year following termination of this Agreement, Consultant will pay OCSD fifty percent (50%) of the former employee's most recent annual salary earned at OCSD to accurately reflect the reasonable value of OCSD's time and costs. This payment is in addition to any other rights and remedies OCSD may have at law.

# 20. Independent Contractor Capacity

- 20.1 The relationship of Consultant to OCSD is that of an independent contractor and nothing herein shall be construed as creating an employment or agency relationship.
- 20.2 Consultant shall act independently and not as an officer or employee of OCSD. OCSD assumes no liability for Consultant's action and performance, nor assumes responsibility for taxes, funds, payments or other commitments, implied or expressed, by or for Consultant.
- 20.3 Consultant shall not be considered an agent of OCSD for any purpose whatsoever, nor shall Consultant have the right to, and shall not, commit OCSD to any agreement, contract or undertaking. Consultant shall not use OCSD's name in its promotional material or for any advertising or publicity purposes without expressed written consent.
- 20.4 Consultant shall not be entitled to any benefits accorded to those individuals listed on OCSD's payroll as regular employees including, without limitation, worker's compensation, disability insurance, vacation, holiday or sick pay. Consultant shall be responsible for providing, at Consultant's expense, disability, worker's compensation or other insurance as well as licenses and permits usual or necessary for conducting the Services hereunder.
- 20.5 Consultant shall be obligated to pay any and all applicable Federal, State and local payroll and other taxes incurred as a result of fees hereunder. Consultant hereby indemnifies OCSD for any claims, losses, costs, fees, liabilities, damages or penalties suffered by OCSD arising out of Consultant's breach of this provision.
- 20.6 Consultant shall not be eligible to join or participate in any benefit plans offered to those individuals listed on OCSD's payroll as regular employees. Consultant shall remain ineligible for such benefits or participation in such benefit plans even if a court later decides that OCSD misclassified Consultant for tax purposes.
- 21. <u>Licenses, Permits</u> Consultant represents and warrants to OCSD that it has obtained all licenses, permits, qualification and approvals of whatever nature that are legally required to engage in this work. Any and all fees required by Federal, State, County, City and/or municipal laws, codes and/or tariffs that pertain to work performed under the terms of this Agreement will be paid by Consultant.
- **22.** <u>Consultant's Representations</u> In the performance of duties under this Agreement, Consultant shall adhere to the highest fiduciary standards, ethical practices and standards of care and competence for their trade/profession. Consultant agrees to comply with all applicable Federal, State and local laws and regulations.

23. <u>Familiarity with Work</u> By executing this Agreement, Consultant warrants that: 1) it has investigated the work to be performed; 2) it has investigated the site of the work and is aware of all conditions there; and 3) it understands the facilities, difficulties and restrictions of the work under this Agreement. Should Consultant discover any latent or unknown conditions materially differing from those inherent in the work or as represented by OCSD, it shall immediately inform OCSD of this and shall not proceed, except at Consultant's risk, until written instructions are received from OCSD.

## 24. Right to Review Services, Facilities, and Records

- 24.1 OCSD reserves the right to review any portion of the Services performed by Consultant under this Agreement, and Consultant agrees to cooperate to the fullest extent possible.
- 24.2 Consultant shall furnish to OCSD such reports, statistical data, and other information pertaining to Consultant's Services as shall be reasonably required by OCSD to carry out its rights and responsibilities under its agreements with its bondholders or noteholders and any other agreement relating to the development of the project(s) and in connection with the issuance of its official statements and other prospectuses with respect to the offering, sale, and issuance of its bonds and other obligations.
- 24.3 The right of OCSD to review or approve drawings, specifications, procedures, instructions, reports, test results, calculations, schedules, or other data that are developed by Consultant shall not relieve Consultant of any obligation set forth herein.
- **25.** <u>Force Majeure</u> Neither party shall be liable for delays caused by accident, flood, acts of God, fire, labor trouble, war, acts of government or any other cause beyond its control, but said party shall use reasonable efforts to minimize the extent of the delay. Work affected by a Force Majeure condition may be rescheduled by mutual consent or may be eliminated from the Agreement.
- **Severability** If any section, subsection, or provision of this Agreement, or any agreement or instrument contemplated hereby, or the application of such section, subsection, or provision is held invalid, the remainder of this Agreement or instrument in the application of such section, subsection or provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby, unless the effect of such invalidity shall be to substantially frustrate the expectations of the Parties.
- **27.** <u>Waiver</u> The waiver of either party of any breach or violation of, or default under, any provision of this Agreement, shall not be deemed a continuing waiver by such party of any other provision or of any subsequent breach or violation of this Agreement or default thereunder. Any breach by Consultant to which OCSD does not object shall not operate as a waiver of OCSD's rights to seek remedies available to it for any subsequent breach.
- 28. <u>Remedies</u> In addition to other remedies available in law or equity, if the Consultant fails to make delivery of the goods or Services or repudiates its obligations under this Agreement, or if OCSD rejects the goods or Services or revokes acceptance of the goods or Services, OCSD may (1) terminate the Agreement; (2) recover whatever amount of the purchase price OCSD has paid, and/or (3) "cover" by purchasing, or contracting to purchase, substitute goods or Services for those due from Consultant. In the event OCSD elects to "cover" as described in (3), OCSD shall be entitled to recover from Consultant as damages the difference between the cost of the substitute goods or Services and the Agreement price, together with any incidental or consequential damages.

- **29. Governing Law** This Agreement shall be governed by and interpreted under the laws of the State of California and the Parties submit to jurisdiction in Orange County, in the event any action is brought in connection with this Agreement or the performance thereof.
- **30.** <u>Environmental Compliance</u> Consultant shall, at its own cost and expense, comply with all Federal, State, and local environmental laws, regulations, and policies which apply to the Consultant, its sub-consultants, and the Services, including, but not limited to, all applicable Federal, State, and local air pollution control laws and regulations.
- **31.** <u>Attorney's Fees</u> If any action at law or inequity or if any proceeding in the form of an Alternative Dispute Resolution (ADR) is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements in addition to any other relief to which it may be entitled.

# 32. <u>Dispute Resolution</u>

- 32.1 In the event of a dispute as to the construction or interpretation of this Agreement, or any rights or obligations hereunder, the Parties shall first attempt, in good faith, to resolve the dispute by mediation. The Parties shall mutually select a mediator to facilitate the resolution of the dispute. If the Parties are unable to agree on a mediator, the mediation shall be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Agreement, through the alternate dispute resolution procedures of Judicial Arbitration through Mediation Services of Orange County ("JAMS"), or any similar organization or entity conducting an alternate dispute resolution process.
- 32.2 In the event the Parties are unable to timely resolve the dispute through mediation, the issues in dispute shall be submitted to arbitration pursuant to California Code of Civil Procedure, Part 3, Title 9, Sections 1280 et seq. For such purpose, an agreed arbitrator shall be selected, or in the absence of agreement, each party shall select an arbitrator, and those two (2) arbitrators shall select a third. Discovery may be conducted in connection with the arbitration proceeding pursuant to California Code of Civil Procedure Section 1283.05. The arbitrator, or three (3) arbitrators acting as a board, shall take such evidence and make such investigation as deemed appropriate and shall render a written decision on the matter in question. The arbitrator shall decide each and every dispute in accordance with the laws of the State of California. The arbitrator's decision and award shall be subject to review for errors of fact or law in the Superior Court for the County of Orange, with a right of appeal from any judgment issued therein.
- **33.** <u>Damage to OCSD's Property</u> Any OCSD property damaged by Consultant will be subject to repair or replacement by Consultant at no cost to OCSD.
- 34. OCSD Safety Standards OCSD requires Consultant and its subconsultants to follow and ensure their employees follow all Federal, State and local regulations as well as OCSD Safety Standards while working at OCSD locations. If during the course of the Agreement it is discovered that OCSD Safety Standards do not comply with Federal, State or local regulations, then the Consultant is required to follow the most stringent regulatory requirement at no additional cost to OCSD. Consultant and all of its employees and subconsultants, shall adhere to all applicable OCSD Safety Standards attached hereto in Exhibit "D" and the Human Resources Policies (Exhibit "E").
- **35.** <u>Freight (F.O.B. Destination)</u> Consultant assumes full responsibility for all transportation, transportation scheduling, packing, handling, insurance, and other services associated with delivery of all products deemed necessary under this Agreement.

**36.** <u>Assignments</u> Consultant shall not delegate any duties nor assign any rights under this Agreement without the prior written consent of OCSD. Any such attempted delegation or assignment shall be void.

# 37. Conflict of Interest and Reporting

- 37.1 Consultant shall at all times avoid conflicts of interest or appearance of conflicts of interest in performance of this Agreement.
- 37.2 Consultant affirms that to the best of its knowledge there exists no actual or potential conflict between Consultant's families, business or financial interest or its Services under this Agreement, and in the event of change in either its private interests or Services under this Agreement, it will raise with OCSD any question regarding possible conflict of interest which may arise as a result of such change.
- **38.** <u>Third Party Rights</u> Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than OCSD and Consultant.
- **39.** Non-Liability of OCSD Officers and Employees No officer or employee of OCSD shall be personally liable to Consultant, or any successor-in-interest, in the event of any default or breach by OCSD or for any amount which may become due to Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.
- **40.** Authority to Execute The persons executing this Agreement on behalf of the Parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the Parties are formally bound.
- **41.** <u>Read and Understood</u> By signing this Agreement, Consultant represents that it has read and understood the terms and conditions of the Agreement.
- **42.** <u>Entire Agreement</u> This Agreement constitutes the entire agreement of the Parties and supersedes all prior written or oral and all contemporaneous oral agreements, understandings, and negotiations between the Parties with respect to the subject matter hereof.

delivered by personal service or sent by registered or certified mail, postage prepaid, return receipt requested, or by any other overnight delivery service which delivers to the noticed destination and provides proof of delivery to the sender. Any facsimile notice must be followed within three (3) days by written notice. Rejection or other refusal to accept or the inability to deliver because of changed address for which no notice was given as provided hereunder shall be deemed to be receipt of the notice, demand or request sent. All notices shall be effective when first received at the following addresses: OCSD: Jackie Lagade **Principal Buyer** Orange County Sanitation District 10844 Ellis Avenue Fountain Valley, CA 92708-7018 Consultant: Each party shall provide the other party written notice of any change in address as soon as practicable. IN WITNESS WHEREOF, intending to be legally bound, the Parties hereto have caused this Agreement to be signed by the duly authorized representatives. ORANGE COUNTY SANITATION DISTRICT Dated: By: \_\_ David John Shawver Chair, Board of Directors By: \_ Dated: Kelly A. Lore Clerk of the Board Dated: By: \_ Ruth Zintzun Purchasing and Contracts Manager COMPANY Dated: \_\_\_\_\_ Print Name and Title of Officer

43. Notices All notices under this Agreement must be in writing. Written notice shall be