



REQUEST FOR PROPOSALS

FOR

ENGINEERING SERVICES FOR THE CONDITION ASSESSMENT OF S62  
NORTHEAST STORMWATER DISCHARGE PIPELINE

SACRAMENTO AREA SEWER DISTRICT

RFP No. 9164

RFP ISSUE DATE: April 7, 2026

PROPOSAL DUE DATE & TIME: May 6, 2026, 3:00 PM Pacific Time (PT)

## Contents

1. INTRODUCTION .....	3
2. BACKGROUND .....	3
3. OBJECTIVE .....	6
4. RFP TIMELINE.....	6
5. QUESTIONS AND COMMUNICATION ABOUT THIS RFP .....	6
6. SCOPE OF SERVICES .....	7
7. BASIS FOR COMPENSATION .....	8
8. ORGANIZATION AND CONTENT OF PROPOSAL .....	8
9. PROPOSAL SUBMISSION INSTRUCTIONS.....	13
10. PROPOSAL RATING CRITERIA.....	13
11. SELECTION PROCESS .....	14
12. AWARD OF CONTRACT.....	15
13. ADDITIONAL TERMS AND CONDITIONS .....	15

Attachment A – Conflict of Interest and Non-Collusion Affidavit

Attachment B – Sample Agreement

Attachment C – Iran Contracting Act Disclosure Form

Attachment D – Compliance with Economic Sanctions in Response to Russia’s Action in  
Ukraine

Attachment E – California State Lands Commission General Lease 2734

## 1. INTRODUCTION

The Sacramento Area Sewer District (SacSewer) is a sewage collection, treatment, and resource recovery utility which serves more than 1.6 million people in a 387 square-mile service area. SacSewer's service area includes the unincorporated areas of Sacramento County, and the cities of Citrus Heights, Rancho Cordova, Elk Grove, Folsom, Sacramento, and West Sacramento.

SacSewer owns and operates over 5,000 miles of sewer pipes and 117 pump stations and is responsible for the operations and maintenance of those pipes and pump stations. Sewage is collected from residential, commercial, and industrial customers and conveyed to SacSewer's EchoWater Resource Recovery Facility (EchoWater Facility) near Elk Grove. SacSewer takes pride in recovering valuable resources from the sewage that enters the EchoWater Facility. Examples include biosolids recycling, water recycling, and renewable energy generation.

The following is SacSewer's mission and vision statement:

***Mission:*** *Protecting public health and the environment by collecting, treating, and recovering resources from sewage.*

***Vision:*** *Setting the bar for excellence in sewage management and environmental sustainability.*

SacSewer has four core values that help SacSewer deliver on its mission and vision:

- Responsibility – Accountable and Committed
- Resolve – Determined to Succeed
- Proficiency – Skilled and Capable
- Environmental Stewardship – Protect and Sustain

## 2. BACKGROUND

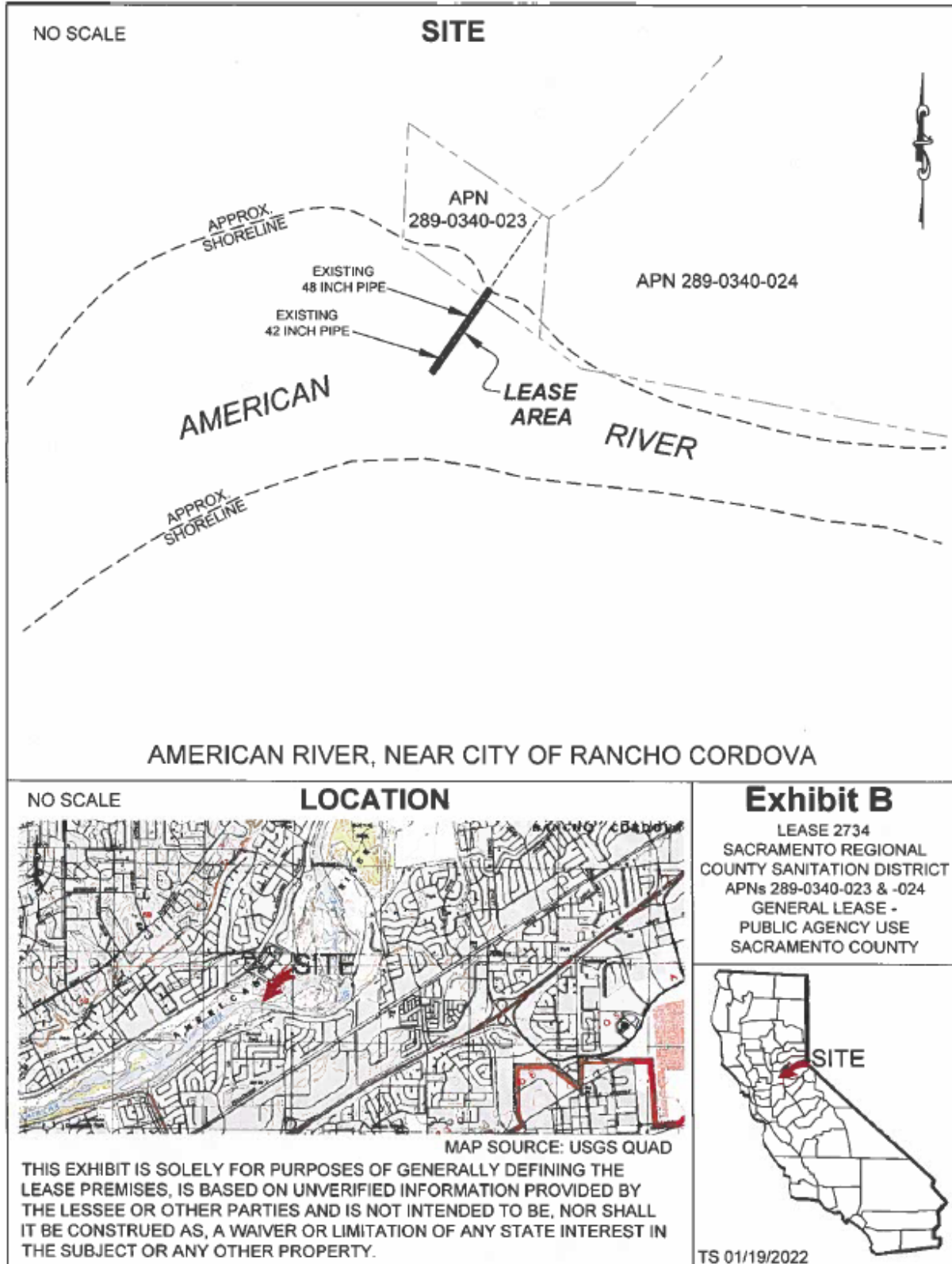
The S62 Northeast Storm Drain (stormwater pipeline) is a drainage conveyance system that serves SacSewer's decommissioned treatment plant at 1000 River Walk Way. The system consists of 42-inch and 48-inch storm drainpipe that discharges to the American River. A portion of the system is within California State Lands Commission (CSLC) jurisdiction. SacSewer and CSLC have a general lease agreement (the "Lease") to continue operation of the S62 outfall to American River. The lease requires a condition assessment of the system outfall structure and outfall pipe within the American River.

The Lease requires SacSewer to satisfy the following by no later than September 30, 2026:

- Conduct a condition assessment, certified by a California registered Civil/Structural Engineer, of the stormwater pipeline
- Perform an external inspection of the riverbed conditions at the discharge point of the outfall
- Within 60 days of completion, provide a report to CSLC including any findings, recommendations, and a repair plan with schedule if a repair/remediation is recommended.

**(Remainder of page intentionally left blank)**

**Project Site:** South of 1000 River Walk Way, within the America River Parkway, and accessible by Harrington Way.



3. OBJECTIVE

SacSewer seeks a consultant to perform an engineering assessment of a 48-inch and 42-inch stormwater pipeline discharging into the American River. The engineering assessment aims to identify and quantify any necessary repair/remediation to the existing facilities or riverbed.

Factors to consider while performing the assessment include, but are not limited to, the following:

- Pipeline’s age, depth, operating conditions, and structural integrity
- Riverbed conditions
- Adjacent utilities and infrastructure
- The means and method of repairing the pipeline and the associated impacts on the American River and surrounding environment.

The selected consultant shall provide a recommendation and justification for maintaining the pipeline based on the findings of the engineering assessment.

4. RFP TIMELINE

<b>Event or Action</b>	<b>Deadline</b>
Release of RFP	Tuesday, April 7, 2026
Question Submission Deadline	Wednesday, April 22, 2026
Final date to provide Responses to Questions on Business Opportunities webpage	Monday, April 27, 2026
Proposal Submission Deadline	Wednesday, May 6, 2026, by 3:00 PM PT
Consultant Interviews (if requested by SacSewer)	Week of May 18, 2026, or later
Notice of Intent to Award	June 2, 2026, or later

5. QUESTIONS AND COMMUNICATION ABOUT THIS RFP

All communication regarding this RFP should be directed to Jason Bailey via email at [baileyj@sacsewer.com](mailto:baileyj@sacsewer.com), the SacSewer’s designated point of contact. Questions for this RFP should be submitted to the designated point of contact via email by the date and time stated in Section 4 of this RFP. Questions and answers will be posted at <https://www.sacsewer.com/business-opportunities/> by no later than date stated in Section 4 of this RFP. Please note SacSewer will respond only to technical questions. SacSewer will not provide oral interpretations of any documents to respondents.

Interested consultants are responsible for periodically checking the SacSewer website for addenda to this RFP and responses to questions.

6. SCOPE OF SERVICES

The scope of services will include, but are not limited to, those denoted below. The scope of services shall be used as a basis for preparation of the proposal, and a submitted proposal must address the entire scope of services listed. Additional tasks or modifications to the scope of services that the consultant feels will produce a more cost-effective project should be included in the proposal.

**Task 1 – Engineering and Environmental Assessment for the 48-inch and 42-inch Stormwater Pipeline**

**A. Information Gathering and Review**

Perform a desktop study and review existing plans and documents (e.g. record drawings, CLSC lease documents, etc.) for SacSewer’s stormwater pipeline within the Lease premises.

**B. Pipeline and Riverbed Inspection**

- 1) Inspect the condition of the 42-inch and 48-inch diameter pipeline and the vertical structure connecting these two pipelines within the Lease premises.
- 2) Conduct an external inspection of the riverbed conditions at the discharge point of the outfall.

**C. Engineering Assessment**

Assess the condition/integrity based on the findings identified in Task A & B. Factors to consider include age, depth, operational status, pipeline structural integrity, riverbed conditions, adjacent utilities/infrastructure, and impacts on the American River. Include a narrative describing identified repair/remediation alternatives, which includes identifying the generally impacted areas for ingress/egress, mobilization/demobilization, and any other area(s) that may be disturbed.

Deliverable:

- Report, certified by a California registered Civil/Structural Engineer, detailing the findings, recommendations, and repair alternatives if repair/remediation to the existing facilities or riverbed is recommended.

**D. Project Management and Coordination**

The consultant will prepare for and hold status update meetings with SacSewer Staff as necessary.

**Optional Task 1: Provide a repair plan for the alternative requested by SacSewer**

The consultant will prepare a repair plan with schedule and cost estimate for the alternative requested by SacSewer.

**Optional Task 2: Install warning sign(s)**

The consultant will install warning signs capable of being viewed from the water surface and the waterway’s banks indicating the location of the existing outfall.

7. **BASIS FOR COMPENSATION**

Time and Expenses: SacSewer will compensate the consultant on a Time and Expenses basis, with a not-to-exceed dollar amount for the entire contract.

8. **ORGANIZATION AND CONTENT OF PROPOSAL**

Consultants must provide complete and current information for all categories listed below. A Proposal shall not exceed 25 singled-sided pages. The following sections are excluded from the page count: Transmittal Letter, Table of Contents, Section Dividers, Department of Industrial Relations (DIR) Compliance, Conflict of Interest, Iran Contracting Act Disclosure Form and Compliance with Economic Sanctions in Response to Russia’s Action in Ukraine, Proprietary Information, Insurance, Exceptions to Sample Agreement Terms and Conditions, Employment Practices, Cost Proposal, and resumes. Page sizes must be 8 ½ X 11, with a font size of at least 12 pt. Figures and tables may be on 11 X 17 sheets.

SECTION	CONTENTS
Cover Letter	Transmittal Letter
a	Company Background
b	Consultant Team
c	Department of Industrial Relations (DIR) Compliance
d	Project Overview
e	Detailed Project Approach
f	Related Experience
g	Level of Effort
h	Project Schedule
i	Conflicts of Interest
j	Iran Contracting Act Disclosure Form and Compliance with Economic Sanctions in Response to Russia’s Action in Ukraine

k	Proprietary Information
l	Insurance
m	Exceptions to Sample Agreement Terms and Conditions
n	Cost Proposal (must be submitted in sealed envelope)

a. **Company Background**

Provide a brief introduction for your organization. Include office locations, main areas of expertise, number of staff, and company background and history.

b. **Consultant Team**

Identify the proposed project team including the staff responsible for project management, communication with SacSewer, and direct supervision of deliverables. Identify key tasks and the personnel involved, including their level of participation. Include a project team diagram. Attach resumes at the end of the proposal. On the resumes, provide key areas of expertise for each team member. Identify the geographic location of consultant's facilities and key personnel. SacSewer prefers a local base for key interactive staff unless the consultant can demonstrate no project impact.

Identify all proposed subconsultants. Include the names of the proposed subconsultants, relevant experience, and supporting material. The consultant staff must have the appropriate level of experience, and expertise to perform the requested work. If the prime consultant intends to solicit subproposals and/or quotes for certain tasks, then SacSewer expects the prime consultant to solicit qualified subconsultants, subcontractors, other service providers and suppliers. SacSewer encourages prime consultant's solicitation for subconsultants, subcontractors, other service providers and suppliers, to reasonably provide opportunities for, and encourage relationship-building with, qualified minority and women-owned businesses, and small and local businesses in the Sacramento community.

The prime consultant must get written consent from SacSewer for substitution of any subconsultants, subcontractors, service providers, or suppliers listed in their proposal.

c. **Department of Industrial Relations (DIR) Compliance**

Consultants must note within their proposal valid DIR registration numbers for consultant's personnel and subconsultants performing public works tasks.

- i. If applicable to work contemplated under the proposed Agreement, no contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial

Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].

- ii. If applicable to work contemplated under the proposed Agreement, no contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.
- iii. If applicable to work contemplated under the proposed Agreement, this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- iv. Labor Compliance Program: The County of Sacramento received final approval from the Director of California Department of Industrial Relations as a Labor Compliance Program effective March 15, 1994. All questions regarding this Labor Compliance Program and prevailing wage requirements should be directed to the Labor Compliance Section at (916) 875-2711.
- v. Pursuant to California Labor Code Section 1720 and following, and Section 1770 and following, the CONTRACTOR shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. Copies of the prevailing wage determinations are on file at the office of the County of Sacramento Labor Compliance Program, 9700 Goethe Road, Suite D, Sacramento, CA 95827, and are also available on the internet at <http://www.dir.ca.gov/DLSR/PWD>.

d. **Project Overview**

Provide a narrative description of the proposed project based on the Scope of Services. SacSewer will assess your understanding of all aspects of the project based on the overview.

e. **Detailed Project Approach**

Provide a description of the project approach. The description must include details on the implementation of tasks described in the Scope of Services. Include any recommended revisions to the list of tasks. The approach must recognize, address, and provide solutions for all aspects of the project.

f. **Related Experience**

Provide at least three examples of your organization's and proposed project team's experience with providing similar services to other clients. The description of each example must include the client's name and the year(s) during which the work was performed. The examples must include your organization's role in the project and the responsibilities of key team members. Provide the name, address, telephone number, and e-mail address of the representative for each referenced client.

g. **Level of Effort**

Provide a table showing the proposed total level of effort (LOE), in hours, required to complete each task identified in the scope of services. The table must show, by task, the estimated involvement of each key staff member. SacSewer will monitor involvement of these key staff over the course of the project to confirm their involvement. Supporting staff can be shown by various classes of employees. Subconsultant services must be shown separately within the table.

h. **Project Schedule**

Provide a project schedule. The schedule must include all major deliverables and meetings. The schedule must provide adequate time for staff review of deliverables.

i. **Conflicts of Interest**

The proposal must include disclosures of any actual, apparent, direct or indirect, perceived, or potential conflicts of interest related to the organization, its management, employees, or others involved in providing services for this RFP. If a consultant has no conflicts of interest, please provide a statement confirming this in the proposal. Consultants must submit the completed “Conflict of Interest and Non-Collusion Affidavit” Form (Attachment A) with their proposal.

j. **Iran Contracting Act Disclosure Form and Compliance with Economic Sanctions in Response to Russia’s Action in Ukraine**

Please see Section 13 of this RFP – Additional Terms and Conditions for additional information on the Iran Contracting Act Disclosure Form and Compliance with Economic Sanctions in Response to Russia’s Action in Ukraine. If either or both forms are completed, then place the completed forms in this section of the proposal.

If a consultant’s proposal does not meet the requirement for either condition, provide a statement to that effect in this section.

k. **Proprietary Information**

Identify any proprietary information in the proposal and the legal basis for claiming confidentiality. SacSewer will not claim the confidentiality for such information unless the consultant signs and submits a written agreement, provided by SacSewer, to defend and indemnify the agency against any liability, costs, or expenses related to asserting confidentiality in the proposal. The final decision to assert confidentiality on behalf of the consultant is at the sole discretion of SacSewer.

l. **Insurance**

Please refer to Attachment B – Sample Agreement, Exhibit B – Insurance Requirements, for SacSewer’s insurance requirements for the requested services. Provide a summary of the consultant’s present and proposed insurance coverage, including commercial general liability, automobile liability, workers’ compensation, property damage, employer’s liability, pollution liability, cyber liability, and professional liability or errors and omissions liability for the duration of the contract.

m. **Exceptions to Sample Agreement Terms and Conditions**

Provide a list of any specific exceptions to contract terms and conditions that the consultant will request from SacSewer’s Sample Agreement. The Sample Agreement is attached to this RFP as Attachment B.

If a consultant does not seek any exceptions to the contract terms and conditions in SacSewer’s Sample Agreement, provide a statement to that effect in this section.

n. **Cost Proposal**

Provide the Cost Proposal in a separately sealed envelope. The electronic copy of the proposal **must not** include the Cost Proposal. The submitted cost proposal must represent the full estimated LOE and project schedule. SacSewer will open the cost proposal envelope for the selected consultant for the purpose of negotiating an agreement. SacSewer will dispose of sealed cost proposal envelopes from unselected consultants after contract execution.

Compensation will be on a time-and-expenses basis, with an authorized not-to-exceed amount. The Cost Proposal must include the following information:

- i. Direct hourly labor rates for those staff to be billed to the project.
- ii. Estimated labor hours (LOE) and fee by task.
- iii. Types and estimated amount of non-labor costs to be billed to the project.
- iv. Adjustments in rates predicted to occur during the project. For budgeting purposes, a maximum escalation rate of 3 percent per year should be assumed and will be discussed during fee negotiations.
- v. Subconsultant costs. A maximum markup of 5 percent is permitted.
- vi. Other direct costs (ODCs). A maximum markup of 5 percent is permitted.
- vii. Lodging, meals, and travel shall be reimbursed as follows:
  1. Per diem for lodging (equal to the federal standard CONUS per diem rate for Sacramento County at the time of contract negotiation) will be reimbursed for each work night, up to five (5) nights per week.

2. Per diem for meals and incidentals (equal to the federal standard CONUS per diem rate for Sacramento County at the time of contract negotiation) will be reimbursed for each work day, up to five (5) days per week.
3. Airfare and local and home transportation costs will be reimbursed at cost.
4. Mileage will be reimbursed at the current IRS rate which can be accessed by clicking the following link: <https://www.irs.gov/tax-professionals/standard-mileage-rates>

9. PROPOSAL SUBMISSION INSTRUCTIONS

Please submit a total of four (4) hardcopy sets (one (1) signed original, three (3) additional copies), and one (1) electronic digital media copy on USB flash drive by the proposal submission deadline stated in Section 4 of this RFP. Address proposals to the following:

Deliver To:  
 Sacramento Area Sewer District  
 Attn: Jason Bailey  
 10060 Goethe Road,  
 Sacramento, CA 95827

Proposals received after the deadline stated in Section 4 of this RFP will not be accepted.

10. PROPOSAL RATING CRITERIA

The proposal rating criteria are outlined below:

Criteria	Point Value
Overall Responsiveness to RFP Requirements	5
Company Background	5
Project Overview	5
Detailed Project Approach	30
Related Experience	25
Consultant Team	5
Level of Effort	15
Schedule	10
Total	100

## 11. SELECTION PROCESS

Consultants must submit a complete proposal document with organization and content consistent with Section 8 of this RFP – Organization and Content of Proposal, by the proposal submission deadline.

Ranking of the proposals will be based on the Proposal Rating Criteria. Proposals will be evaluated in three phases as follows:

**Phase 1:** Proposals will be examined as to whether or not the consultant understood and responded in accordance with the following requirements:

- 1) Proper completion and submittal of required proposal documents; and
- 2) Related experience requirement met or exceeded.

**Phase 2:** Proposals that meet the requirements in Phase 1 will be evaluated and scored using the table in Section 10 of this RFP. SacSewer will disqualify proposals if their score for any single criterion is zero or its total score is less than 60. After initial review of all responsive proposals, if SacSewer desires to host interviews, SacSewer will create a shortlist of the three (3) highest scoring consultants to participate in interviews. Proposal scores will be adjusted based upon the performance in the interviews. SacSewer may also complete the consultant evaluation and selection without conducting interviews.

**Phase 3:** The Cost Proposal for the highest ranked proposal (and interview, if conducted) will be opened. SacSewer will enter negotiations with the consultant. If a mutually agreeable contract is unable to be negotiated, SacSewer will conclude negotiations with said consultant. Then, SacSewer will commence negotiations with the consultant with the next highest ranked proposal. This process will continue until an agreement is successfully negotiated or the list of eligible consultants is exhausted. Once a contract is executed, the remaining sealed cost proposals will be destroyed and not made public.

SacSewer reserves the right:

- **To reject any or all Proposals, or any part thereof; and**
- **To select more than one consultant; and**
- **To waive any informality in the Proposal; and**
- **To accept the Proposal that is in the best interest of the SacSewer.**

All of SacSewer's decisions will be final.

## 12. AWARD OF CONTRACT

The contract will be awarded to the consultant with the highest ranked proposal and best overall response to the requirements of this RFP. SacSewer may select whichever proposal it determines will best serve its interests. The successful consultant will be selected in accordance with the selection process identified in Section 11 of this RFP, and any addenda thereto, except for any informalities waived by SacSewer. Selection is expected to be made according to Section 4 of this RFP, subject to final approval by the appropriate SacSewer authority.

## 13. ADDITIONAL TERMS AND CONDITIONS

### **a. Federal Exclusion List**

SacSewer is prohibited from awarding this contract to any person, entity or business that is on the Federal Exclusion List (<https://www.sam.gov/>). If you or your organization is on this list, then SacSewer cannot award this agreement to you, and you should not submit a response to this RFP. In addition, consultant certifies that it will not contract with a subcontractor that is debarred, suspended or on the Federal Exclusion List.

### **b. Revision of Proposal**

Consultants may withdraw or revise a proposal at any time before the proposal submission deadline. The consultant must submit the revised proposal in the same manner as the original proposal. A statement of intent to submit a revised proposal will not extend any consultant's due date. At any time during the proposal evaluation process, SacSewer may request a consultant to provide oral or written clarification of its proposal.

### **c. Errors and Omissions in Proposal**

If SacSewer fails to object to an error, omission, or deviation in the proposal, it will not change the RFP or excuse the consultant from fully complying with the RFP specifications or any agreement awarded under the RFP.

### **d. Iran Contracting Act Disclosure**

Pursuant to the Iran Contract Act of 2010 (California Public Contract Code, Sections 2202-2208), consultants are ineligible to submit a proposal for projects with a public entity for goods or services of one million dollars (\$1,000,000) or more if the Consultant engages in investment activities in Iran.

The Iran Contracting Act Disclosure Form, Attachment C, must be completed and submitted by participating consultants if the total cost of their Cost Proposal is \$1,000,000 or more. The Iran Contracting Act Disclosure Form must also be completed if the total value of the agreement exceeds \$1,000,000 during the contract term.

**e. Economic Sanctions**

Pursuant to California State Executive Order N-6-22 (Order), imposing economic sanctions against Russia and declaring support of Ukraine, SacSewer must terminate any contract with any individual or entity that is in violation of the Order or that is subject to economic sanctions. SacSewer will not enter a contract with any such individual or entity while the Order is in effect.

Compliance With Economic Sanctions In Response To Russia's Actions In Ukraine Form, Attachment D, must be completed and submitted by the participating consultants if the total cost of their Cost Proposal exceeds \$5,000,000. The Compliance With Economic Sanctions In Response To Russia's Actions In Ukraine Form must also be completed by the awarded consultant(s) if the total value of their agreement exceeds \$5,000,000 during the contract term. SacSewer must keep the form and other supporting documentation on file as evidence of compliance with the Order.

(ATTACHMENTS FOLLOW)

ATTACHMENT A

**CONFLICT OF INTEREST AND NON-COLLUSION AFFIDAVIT**

IN ACCORDANCE WITH THIS PROPOSAL, I CERTIFY THAT OUR BUSINESS:

1. Does not and will not have a financial interest in any business, property or source of income, which could be financially affected or otherwise conflict in any manner with the performance of services under this request for proposals;
2. Has not, directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free, competitive bidding in connection with this request for proposals; and
3. Is not currently suspended or debarred from doing business with any government entity.

I affirm that the above is true and correct to the best of my knowledge under penalty of perjury under the laws of the State of California.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Business Name

## Attachment B

### SACRAMENTO AREA SEWER DISTRICT

#### AGREEMENT FOR (Title)

THIS AGREEMENT is made and entered into on \_\_\_\_\_ by and between the SACRAMENTO AREA SEWER DISTRICT, a county sanitation district pursuant to and operating under the authority of the County Sanitation District Act, commencing at Health and Safety Code section 4700 et.seq., hereinafter referred to as "SacSewer," and [CONSULTANT NAME], a [nature of business, such as: an individual, a partnership, a California corporation, etc.], hereinafter referred to as "CONSULTANT".

#### RECITALS

WHEREAS, SacSewer determined that it is desirable to retain a consultant to provide for [description of services to be rendered]; and

WHEREAS, CONSULTANT proposed to provide the requested services for the compensation to be provided herein; and

WHEREAS, SacSewer issued a Request for Proposal (RFP) and selected CONSULTANT from among the respondents because CONSULTANT meets SacSewer's needs and provides the best value; and

WHEREAS, SacSewer and CONSULTANT desire to enter into this Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, SacSewer and CONSULTANT agree as follows:

**1. SCOPE OF SERVICES**

CONSULTANT shall provide services in the amount, type and manner described in Exhibit [Identifier], which is attached hereto and incorporated herein.

**2. TERM**

This Agreement shall be effective and commence as of the date first written above and shall remain in effect until all services covered by this Agreement are completed, which is estimated to be [Date].

**3. NOTICE**

Any notice, demand, request, consent, or approval that either party hereto may or is required to give the other pursuant to this Agreement shall be in writing and shall be either personally delivered or sent by mail, addressed as follows:

**TO SACSEWER:**

Sacramento Area Sewer District  
10060 Goethe Rd.  
Sacramento, CA 95827  
Attn: Contracts Payment Desk

**TO CONSULTANT:**

Name  
Address  
Attn:

Either party may change the address to which subsequent notice and/or other communications can be sent by giving written notice designating a change of address to the other party, which shall be effective upon receipt.

**4. COMPLIANCE WITH LAWS**

CONSULTANT shall observe and comply with all applicable federal, state, and county and SacSewer laws, regulations and ordinances.

**5. GOVERNING LAWS AND JURISDICTION**

This Agreement shall be deemed to have been executed and to be performed within the State of California and shall be construed and governed by the internal laws of the State of California. Any legal proceedings arising out of or relating to this Agreement shall be brought in Sacramento County, California.

**6. ECONOMIC SANCTIONS**

Pursuant to California State Executive Order N-6-22 (Order) imposing economic sanctions against Russia and declaring support of Ukraine, SacSewer shall terminate any contract with any individual or entity that is in violation of the Order or that is subject to economic sanctions therein, and shall not enter a contract with any such individual or entity while the Order is in effect.

**7. LICENSES AND PERMITS**

A. CONSULTANT shall possess and maintain all necessary licenses, permits, certificates and credentials required by the laws of the United States, the State of California, County of Sacramento (County) and all other appropriate governmental agencies, including any certification and credentials required by SacSewer. Failure to maintain the licenses, permits, certificates, and credentials shall be deemed a breach of this Agreement and constitutes grounds for the termination of this Agreement by SacSewer.

B. CONSULTANT further certifies to SacSewer that it and its principals are not debarred, suspended, or otherwise excluded from or ineligible for, participation in federal, state or county government contracts. CONSULTANT certifies that it shall not contract with a Subcontractor that is so debarred or suspended.

**8. PREVAILING WAGES**

CONSULTANT shall comply with the provisions of the California Labor Code, specifically, but not limited to, Chapter 1, commencing at Section 1720, of Part 7 of Division 2 (payment of prevailing wages). The prevailing rates for per diem wages shall be those rates determined by the Director of the California Department of Industrial Relations.

**9. DEPARTMENT OF INDUSTRIAL RELATIONS (DIR) COMPLIANCE**

[Option A – language if consultant will be paying staff prevailing wages for on-site Public Work tasks]

A. No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

B. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

C. Labor Compliance Program: The County received final approval from the Director of California Department of Industrial Relations as a Labor Compliance Program effective March 15, 1994. All questions regarding this Labor Compliance Program and prevailing wage requirements should be directed to the Labor Compliance Section at (916) 875-2711.

D. Pursuant to California Labor Code Section 1720 and following, and Section 1770 and following, the CONSULTANT shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. Copies of the prevailing wage determinations are on file at the office of the County of Sacramento Labor Compliance Program, 9700 Goethe Road, Suite D, Sacramento, CA 95827, and are also available on the internet at <http://www.dir.ca.gov/DLSR/PWD>.

[Option B - if there is a gray area concerning whether the consultant may or may not perform on-site Public Works tasks requiring payment of prevailing wages, utilize language option below instead].

A. If applicable to work contemplated by this Agreement, no contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

B. If applicable to work contemplated by this Agreement, this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

C. Labor Compliance Program: The County received final approval from the Director of California Department of Industrial Relations as a Labor Compliance Program effective March 15, 1994. All questions regarding this Labor Compliance Program and prevailing wage requirements should be directed to the Labor Compliance Section at (916) 875-2711.

D. If applicable to work contemplated by this Agreement, this is a contracting services project in accordance with Section 1771.5 of the California Labor Code. Pursuant to California Labor Code Section 1720 and following, and Section 1770 and following, the CONSULTANT shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. Copies of the prevailing wage determinations are on file at the office of the County of Sacramento Labor Compliance Program, 9700 Goethe Road, Suite D, Sacramento, CA 95827, and are also available on the internet at <http://www.dir.ca.gov/DLSR/PWD>.

**10. PERFORMANCE STANDARDS**

CONSULTANT shall perform its services under this Agreement in accordance with the industry and/or professional standards applicable to CONSULTANT's services.

**11. OWNERSHIP OF WORK PRODUCT**

All technical data, evaluations, plans, specifications, reports, documents, or other work products developed by CONSULTANT provided hereunder shall be the exclusive property of SacSewer and shall be delivered to SacSewer upon completion of the services authorized hereunder. CONSULTANT may retain copies thereof for its files and internal use. Publication of the information directly derived from work performed or data obtained in connection with services rendered under this Agreement must first be approved in writing by SacSewer. SacSewer recognizes that all technical data, evaluations, plans, specifications, reports, and other work products are instruments of CONSULTANT's services and are not designed for use other than what is intended by this Agreement.

**12. STATUS OF CONSULTANT**

**[Option (A)]**

A. It is understood and agreed that CONSULTANT (including CONSULTANT's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto. CONSULTANT's assigned personnel shall not be entitled to any benefits payable to employees of SacSewer. SacSewer is not required to make any deductions or withholdings from the compensation payable to CONSULTANT under the provisions of this Agreement; and as an independent contractor, CONSULTANT hereby agrees to indemnify, defend, and hold SacSewer harmless from any and all claims, including reasonable attorneys' fees, that may be made against SacSewer based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.

B. It is further understood and agreed by the parties hereto that CONSULTANT in the performance of its obligation hereunder is subject to the control or direction of SacSewer as to the designation of tasks to be performed, the results to be accomplished by the services hereunder agreed to be rendered and performed, and not the means, methods, or sequence used by CONSULTANT for accomplishing the results.

C. If, in the performance of this Agreement, any third persons are employed by CONSULTANT, such person shall be entirely and exclusively under the direction,

supervision, and control of CONSULTANT. All terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by CONSULTANT, and SacSewer shall have no right or authority over such persons or the terms of such employment.

D. It is further understood and agreed that as an independent contractor and not an employee of SacSewer, neither the CONSULTANT nor CONSULTANT's assigned personnel shall have any entitlement as an SacSewer employee, right to act on behalf of SacSewer in any capacity whatsoever as agent, nor to bind SacSewer to any obligation whatsoever. CONSULTANT shall not be covered by worker's compensation; nor shall CONSULTANT be entitled to compensated sick leave, vacation leave, retirement entitlement, participation in group health, dental, life and other insurance programs, or entitled to other fringe benefits payable by SacSewer to employees of SacSewer.

E. It is further understood and agreed that CONSULTANT must issue W-2 and 941 Forms for income and employment tax purposes, for all of CONSULTANT's assigned personnel under the terms and conditions of this Agreement.

[OR Option (B)]

A. It is understood and agreed that CONSULTANT (including CONSULTANT's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto. CONSULTANT's assigned personnel shall not be entitled to any benefits payable to employees of SacSewer as an independent contractor, CONSULTANT hereby agrees to indemnify, defend, and hold SacSewer harmless from any and all claims, including reasonable attorneys' fees, that may be made against SacSewer based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.

B. It is further understood and agreed by the parties hereto that CONSULTANT in the performance of its obligation hereunder is subject to the control or direction of SacSewer as to the designation of tasks to be performed, the results to be accomplished by the services hereunder agreed to be rendered and performed, and not the means, methods, or sequence used by CONSULTANT for accomplishing the results.

C. If, in the performance of this Agreement, any third persons are employed by CONSULTANT, such person shall be entirely and exclusively under the direction, supervision, and control of CONSULTANT. All terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by CONSULTANT, and SacSewer shall have no right or authority over such persons or the terms of such employment.

D. It is further understood and agreed that as an independent contractor and not an employee of SacSewer, neither the CONSULTANT nor CONSULTANT's assigned personnel shall have:

- (1) Any entitlement as a SacSewer employee.
- (2) Except as otherwise provided by this Agreement, the right to act on behalf of SacSewer in any capacity whatsoever as agent, nor to bind County to any obligation whatsoever.
- (3) CONSULTANT shall not be covered by worker's compensation; nor shall CONSULTANT be entitled to compensated sick leave, vacation leave, retirement entitlement, participation in group health, dental, life and other insurance programs, or entitled to other fringe benefits payable by SacSewer to employees of SacSewer.

E. Notwithstanding CONSULTANT's status as an independent contractor, SacSewer shall withhold from payments made to CONSULTANT such sums as are required to be withheld from employees by the Federal Internal Revenue Code; the Federal Insurance Compensation Act; the State Personal Income Tax Law and the State Unemployment Insurance Code; provided, however, that said withholding is for the purpose of avoiding SacSewer's liability under said laws and does not abrogate CONSULTANT's status as an independent contractor as described in this Agreement. Further, CONSULTANT is not included in any group covered by SacSewer's present agreement with the federal Social Security Administration.

[AND – Optional based on in state vs out-of-state service provider]

F. Notwithstanding subparagraphs (A) and (E), it is further understood and agreed that SacSewer shall withhold seven percent (7%) of all income paid to CONSULTANT under this Agreement for payment and reporting to the California Franchise Tax Board because CONSULTANT does not qualify as (1) a corporation with its principal place of business in California, (2) a partnership with a permanent place of business in California, (3) a corporation qualified to do business in California by the Secretary of State, or (4) an individual with a permanent residence in the State of California.

**13. CONSULTANT IDENTIFICATION**

CONSULTANT shall provide SacSewer with the following information for the purpose of compliance with California Unemployment Insurance Code section 1088.8: CONSULTANT's name, address, telephone number, social security number, and whether dependent health insurance coverage is available to CONSULTANT.

**14. COMPLIANCE WITH CHILD, FAMILY AND SPOUSAL SUPPORT REPORTING OBLIGATIONS**

A. CONSULTANT's failure to comply with state and federal child, family and spousal support reporting requirements regarding a contractor's employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment relating to child, family and spousal support obligations shall constitute a default under this Agreement.

B. CONSULTANT's failure to cure such default within 90 days of notice by SacSewer shall be grounds for termination of this Agreement.

**15. BENEFITS WAIVER**

If CONSULTANT is unincorporated, CONSULTANT acknowledges and agrees that CONSULTANT is not entitled to receive the following benefits and/or compensation from SacSewer: medical, dental, vision and retirement benefits, life and disability insurance, sick leave, bereavement leave, jury duty leave, parental leave, or any other similar benefits or compensation otherwise provided to permanent civil service employees pursuant to the SacSewer's Employee Benefits documents for all of its Employee Groups, the Civil Service Rule, the Sacramento County Employees' Retirement System and/or any and all memoranda of understanding between SacSewer and its employee organizations. Should CONSULTANT or any employee or agent of CONSULTANT seek to obtain such benefits from SacSewer, CONSULTANT hereby agrees to indemnify, defend, and hold SacSewer harmless from any and all claims, including reasonable attorneys' fees, that may be made against SacSewer for such benefits.

**16. RETIREMENT BENEFITS/STATUS**

CONSULTANT acknowledges and agrees that SacSewer has not made any representations regarding entitlement, eligibility for and/or right to receive ongoing Sacramento County Employee Retirement System (SCERS) retirement benefits during the term of this Agreement. By entering into this Agreement, CONSULTANT assumes sole and exclusive responsibility for any consequences, impacts or action relating to such retirement benefits that is or will be occasioned as a result of the services provided by CONSULTANT under this Agreement. CONSULTANT waives any rights to proceed against SacSewer should SCERS modify or terminate retirement benefits based on CONSULTANT's provision of services under this Agreement.

**17. SCERS POST RETIREMENT EMPLOYMENT POLICY**

A. Any employee of, or contractor retained by, CONSULTANT who is retired from County or SacSewer service is subject to SCERS Post Retirement Employment Policy and must adhere to limitations on post-retirement service, including a 180-day waiting period before working for the County or SacSewer, and a 960-hour per calendar year cap when working for the County or SacSewer.

B. CONSULTANT shall report to SacSewer in writing, the names of current and future employees who will provide services under this Agreement, that are retired from County or SacSewer employment.

C. CONSULTANT must report to SacSewer in writing on a semi-annual basis (January 5th and July 5th of each calendar year), the names of employees retired from County or SacSewer employment providing services under this Agreement, and hours those employees have worked during the applicable reporting period. CONSULTANT shall submit reports to [SDASCERSReporting@sacsewer.com](mailto:SDASCERSReporting@sacsewer.com).

D. CONSULTANT shall not assign employees to provide services under this Agreement in violation of SCERS Post Retirement Employment Policy.

**18. CONFLICT OF INTEREST**

CONSULTANT and CONSULTANT's officers and employees shall not have a financial interest, or acquire any financial interest, direct or indirect, in any business, property or source of income which could be financially affected by or otherwise conflict in any manner or degree with the performance of services required under this Agreement.

**19. LOBBYING AND UNION ORGANIZATION ACTIVITIES**

A. CONSULTANT shall comply with all certification and disclosure requirements prescribed by Section 319, Public Law 101-121 (31 U.S.C. § 1352) and any implementing regulations.

B. If services under this Agreement are funded with state funds granted to SacSewer, CONSULTANT shall not utilize any such funds to assist, promote or deter union organization by employees performing work under this Agreement and shall comply with the provisions of Government Code Sections 16645 through 16649.

**20. NONDISCRIMINATION IN EMPLOYMENT, SERVICES, BENEFITS AND FACILITIES**

A. CONSULTANT agrees and assures SacSewer that CONSULTANT and any subconsultants shall comply with all applicable federal, state, and local Anti-discrimination laws, regulations, and ordinances and to not unlawfully discriminate, harass, or allow harassment against any employee, applicant for employment, employee or agent of SacSewer, or recipient of services contemplated to be provided or provided under this Agreement, because of race, ancestry, marital status, color, religious creed, political belief, national origin, ethnic group identification, sex, sexual orientation, age (over 40), medical condition (including HIV and AIDS), or physical or mental disability. CONSULTANT shall ensure that the evaluation and treatment of its employees and applicants for employment, the treatment of SacSewer employees and agents, and recipients of services are free from such discrimination and harassment.

B. CONSULTANT represents that it is in compliance with and agrees that it will continue to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.), the Fair Employment and Housing Act (Government Code § 12900 et seq.), and regulations and guidelines issued pursuant thereto.

C. CONSULTANT agrees to compile data, maintain records and submit reports to permit effective enforcement of all applicable anti-discrimination laws and this provision.

D. CONSULTANT shall include this nondiscrimination provision in all subcontracts related to this Agreement.

**21. INDEMNIFICATION**

To the fullest extent permitted by law, for work or services provided under this Agreement, CONSULTANT shall indemnify, defend, and hold harmless SacSewer and County of Sacramento, its governing Board, officers, directors, officials, employees, and authorized volunteers and agents (collectively “Indemnified Parties”), from and against any and all claims, demands, actions, losses, liabilities, damages, and all expenses and costs incidental thereto (collectively “Claims”), including cost of defense, settlement, arbitration, expert fees, and reasonable attorneys' fees, resulting from injuries to or death of any person, including employees of either party hereto, and damage to or destruction of property, or loss of use or reduction in value thereof, including the property of either party hereto, and recovery of monetary losses incurred by SacSewer directly attributable to the performance of CONSULTANT, to the extent arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of CONSULTANT, its employees, CONSULTANT’s sub-consultants or subcontractors at any tier, or any other party for which CONSULTANT is legally liable under law.

The right to defense and indemnity under this section arises upon occurrence of an event giving rise to a Claim and tendered in writing to CONSULTANT. CONSULTANT shall defend Indemnified Parties with counsel reasonably acceptable to SacSewer.

Notwithstanding the foregoing, the parties expressly agree that CONSULTANT’s defense obligation under this indemnity obligation shall require CONSULTANT to defend the Indemnified Parties until any of the following occur: (1) the judgment has become final by a Court of Competent Jurisdiction, (2) other mutually agreeable dispute resolution or settlement process establishing the proportionate percentage of fault of the parties under law. In the event that fault is apportioned between SacSewer and CONSULTANT, CONSULTANT’s final cost of defense shall not exceed its proportionate percentage of fault. To the extent that CONSULTANT’s cost of defense exceeds its proportionate percentage of fault, SacSewer shall reimburse CONSULTANT. If requested by SacSewer, CONSULTANT agrees to participate, at its own expense, in the defense of a Claim to provide testimony or to produce documents or other relevant information.

To the extent permitted by law, this indemnity obligation shall not be limited by the types and amounts of insurance or self-insurance maintained by CONSULTANT or CONSULTANT’s subconsultants or subcontractors at any tier.

Nothing in this indemnity obligation shall be construed to create any duty to, any standard of care with reference to, or any liability or obligation, contractual or otherwise, to any third party.

The provisions of this indemnity obligation shall survive the expiration or termination of the Agreement.

**22. INSURANCE**

Without limiting CONSULTANT’s indemnification, CONSULTANT shall maintain in force at all times during the term of this Agreement and any extensions or modifications thereto, insurance as specified in Exhibit [Identifier]. It is the responsibility of

CONSULTANT to notify its insurance advisor or insurance carrier(s) regarding coverage, limits, forms and other insurance requirements specified in Exhibit [Identifier]. It is understood and agreed that SacSewer shall not pay any sum to CONSULTANT under this Agreement unless and until SacSewer is satisfied that all insurance required by this Agreement is in force at the time services hereunder are rendered. Failure to maintain insurance as required in this agreement may be grounds for material breach of contract.

**23. INFORMATION TECHNOLOGY ASSURANCES**

CONSULTANT shall take all reasonable precautions to ensure that any hardware, software, and/or embedded chip devices used by CONSULTANT in the performance of services under this Agreement, other than those owned or provided by SacSewer, shall be free from viruses. Nothing in this provision shall be construed to limit any rights or remedies otherwise available to SacSewer under this Agreement.

**24. COMPENSATION AND PAYMENT OF INVOICES LIMITATIONS**

A. Compensation under this Agreement shall be limited to the Maximum Total Payment Amount set forth in Exhibit [Identifier], or Exhibit [Identifier] as modified by SacSewer in accordance with express provisions in this Agreement.

B. CONSULTANT shall submit an invoice in accordance with the procedures prescribed by SacSewer [insert applicable option, e.g. on a monthly basis, upon completion of services, etc., as appropriate and change the following submittal language as needed.] for services provided in the prior month. Invoices shall be submitted to SacSewer no later than the fifteenth (15th) day following the invoice period, and SacSewer shall pay CONSULTANT within thirty (30) days after receipt of an appropriate and correct invoice.

C. SacSewer operates on a July through June fiscal year. Invoices for services provided in any fiscal year must be submitted no later than July 31, one month after the end of the fiscal year. Invoices submitted after July 31 for the prior fiscal year shall not be honored by SacSewer unless CONSULTANT has obtained prior written SacSewer approval to the contrary.

D. CONSULTANT shall maintain for four years following termination of this Agreement full and complete documentation of all services and expenditures associated with performing the services covered under this Agreement. Expense documentation shall include: time sheets or payroll records for each employee; receipts for supplies; applicable subcontract expenditures; applicable overhead and indirect expenditures.

E. In the event CONSULTANT fails to comply with any provisions of this Agreement, SacSewer may withhold payment until such non-compliance has been corrected.

**25. SUBCONTRACTS, ASSIGNMENT**

A. CONSULTANT shall obtain prior written approval from SacSewer before subcontracting any of the services delivered under this Agreement. CONSULTANT remains legally responsible for the performance of all contract terms including work performed by third parties under subcontracts. Any subcontracting will be subject to all

applicable provisions of this Agreement. CONSULTANT shall be held responsible by SacSewer for the performance of any subconsultant whether approved by SacSewer or not.

B. This Agreement is not assignable by CONSULTANT in whole or in part, without the prior written consent of SacSewer.

**26. AMENDMENT AND WAIVER**

Except as provided herein, no alteration, amendment, variation, or waiver of the terms of this Agreement shall be valid unless made in writing and signed by both parties. Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent, or any other right hereunder. No interpretation of any provision of this Agreement shall be binding upon SacSewer unless agreed in writing by the District Engineer and counsel for SacSewer.

**27. SUCCESSORS**

This Agreement shall bind the successors of SacSewer and CONSULTANT in the same manner as if they were expressly named.

**28. TIME**

Time is of the essence of this Agreement.

**29. INTERPRETATION**

This Agreement shall be deemed to have been prepared equally by both of the parties, and the Agreement and its individual provisions shall not be construed or interpreted more favorably for one party on the basis that the other party prepared it.

**30. DISTRICT ENGINEER**

As used in this Agreement, "District Engineer" shall mean the District Engineer of the Sacramento Area Sewer District, or his designee.

**31. DISPUTES**

In the event of any dispute arising out of or relating to this Agreement, the parties shall attempt, in good faith, to promptly resolve the dispute mutually between themselves. Pending resolution of any such dispute, CONSULTANT shall continue without delay to carry out all its responsibilities under this Agreement unless the Agreement is otherwise terminated in accordance with the Termination provisions herein. SacSewer shall not be required to make payments for any services that are the subject of this dispute resolution process until such dispute has been mutually resolved by the parties. If the dispute cannot be resolved within 15 calendar days of initiating such negotiations or such other time period as may be mutually agreed to by the parties in writing, either party may pursue its available legal and equitable remedies, pursuant to the laws of the State of California. Nothing in this Agreement or provision shall constitute a waiver of any of the government claim filing requirements set forth in Title 1, Division 3.6, of the California Government Code or as otherwise set forth in local, state and federal law.

**32. TERMINATION**

A. SacSewer may terminate this Agreement without cause upon [number of days] days written notice to the other party. Notice shall be deemed served on the date of mailing. If notice of termination for cause is given by SacSewer to CONSULTANT and it is later determined that CONSULTANT was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to this paragraph (A).

B. SacSewer may terminate this Agreement for cause immediately upon giving written notice to CONSULTANT should CONSULTANT materially fail to perform any of the covenants contained in this Agreement in the time and/or manner specified. In the event of such termination, SacSewer may proceed with the work in any manner deemed proper by SacSewer. If notice of termination for cause is given by SacSewer to CONSULTANT and it is later determined that CONSULTANT was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to paragraph (A) above.

C. SacSewer may terminate or amend this Agreement immediately upon giving written notice to CONSULTANT, 1) if advised that funds are not available from external sources for this Agreement or any portion thereof, including if distribution of such funds to SacSewer is suspended or delayed; 2) if funds for the services and/or programs provided pursuant to this Agreement are not appropriated by the State; 3) if funds in SacSewer's yearly proposed and/or final budget are not appropriated by SacSewer for this Agreement or any portion thereof; or 4) if funds that were previously appropriated for this Agreement are reduced, eliminated, and/or re-allocated by SacSewer as a result of mid-year budget reductions.

D. If this Agreement is terminated by SacSewer under paragraph (A) or (C) above:

(1) CONSULTANT shall cease rendering services pursuant to this Agreement as of the termination date.

(2) CONSULTANT shall deliver to SacSewer copies of all writings prepared pursuant to this Agreement. The term "writings" shall be construed to mean and include: handwriting, typewriting, drawings, blueprints, printing, electronic media, photostatting, photographing, and every other means of recording upon any tangible thing, any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof.

(3) CONSULTANT shall not incur any expenses under this Agreement after notice of termination and shall cancel any outstanding expenses obligations to a third party that CONSULTANT can legally cancel.

E. If this Agreement is terminated under paragraphs (A) or (C), above, CONSULTANT shall be paid for authorized and approved services performed prior to the termination date in accordance with the provisions of the Compensation and Payment of Invoices Limitations provision of this Agreement.

[AND]

F. The District Engineer has authority to terminate this Agreement under paragraphs (A), (B), or (C), above.

**33. REPORTS**

CONSULTANT shall, without additional compensation therefor, make fiscal, program evaluation, progress, and such other reports as may be reasonably required by the District Engineer concerning CONSULTANT's activities as they affect the contract duties and purposes herein. SacSewer shall explain procedures for reporting the required information.

**34. AUDITS AND RECORDS**

A. Upon SacSewer's request, SacSewer or its designee shall have the right at reasonable times and intervals to audit, at CONSULTANT's premises, CONSULTANT's financial and program records as SacSewer deems necessary to determine CONSULTANT's compliance with legal and contractual requirements and the correctness of claims submitted by CONSULTANT. CONSULTANT shall maintain such records for a period of four years following termination of the Agreement, and shall make them promptly available for copying upon SacSewer's request at SacSewer's expense. SacSewer shall have the right to withhold any payment under this Agreement until CONSULTANT has provided access to CONSULTANT's financial and program records related to this Agreement.

B. CONSULTANT recognizes that SacSewer records are accessible to the public, and must be made promptly available to a requestor, and CONSULTANT agrees to provide the appropriate facilities and services in full compliance with the California Public Records Act when directed by SacSewer to do so. CONSULTANT will follow SacSewer guidance and instruction in the case of any Public Records Act requests. If the CONSULTANT terminates or sells its business, it shall promptly notify SacSewer, and provide options to SacSewer for the disposition of its records. This provision shall survive in the event of termination of this Agreement.

**35. PRIOR AGREEMENTS**

This Agreement constitutes the entire contract between SacSewer and CONSULTANT regarding the subject matter of this Agreement. Any prior agreements, whether oral or written, between SacSewer and CONSULTANT regarding the subject matter of this Agreement are hereby terminated effective immediately upon full execution of this Agreement.

**36. SEVERABILITY**

If any term or condition of this Agreement or the application thereof to any person(s) or circumstance is held invalid or unenforceable, such invalidity or unenforceability shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Agreement are declared severable.

**37. FORCE MAJEURE**

Neither CONSULTANT nor SacSewer shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control of such party and without fault or negligence of such party. Such events shall include but not be limited to acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism, or other disasters, whether or not similar to the foregoing, and acts or omissions or failure to cooperate of the other party or third parties (except as otherwise specifically provided herein).

**38. SURVIVAL OF TERMS**

All services performed and deliverables provided pursuant to this Agreement are subject to all of the terms, conditions, price discounts and rates set forth herein, notwithstanding the expiration of the initial term of this Agreement or any extension thereof. Further, the terms, conditions and warranties contained in this Agreement that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Agreement shall so survive.

**39. DUPLICATE COUNTERPARTS**

This Agreement may be executed in duplicate counterparts. The Agreement shall be deemed executed when it has been signed by both parties.

**40. AUTHORITY TO EXECUTE**

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement for or on behalf of the parties to this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligations hereunder have been duly authorized.

**(SIGNATURE PAGE FOLLOWS)**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first written above.

**SACRAMENTO AREA SEWER DISTRICT,** [CONSULTANT's name, nature of business]  
a county sanitation district pursuant to and operating under the authority of the County Sanitation District Act, commencing at Health and Safety Code section 4700 et.seq.

By: \_\_\_\_\_  
Christoph Dobson, District Engineer

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

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

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

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

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

Agreement Approved by the Board of Directors with Authority Delegated to the District Engineer to execute the Agreement on behalf of SacSewer.

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

Item Number: \_\_\_\_\_

Resolution No.: \_\_\_\_\_

THIS AGREEMENT FORMAT HAS BEEN APPROVED BY DISTRICT COUNSEL  
[OR]  
CONTRACT AND CONSULTANT TAX STATUS REVIEWED AND APPROVED BY  
DISTRICT COUNSEL

By: \_\_\_\_\_  
Click or tap here to enter text.  
Click or tap here to enter text.

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

Prepared by: \_\_\_\_\_  
Click or tap here to enter text., [Title]  
Contract Services, Department of Finance

**EXHIBIT A to Agreement  
Between  
SACRAMENTO AREA SEWER DISTRICT  
And \_\_\_\_\_**

**SCOPE OF SERVICES**

**1. SERVICE LOCATION(S)**

- A. Facility Name(s): FACILITY
- B. Street Address: STREET
- C. City and Zip Code: CITY

**2. REQUEST FOR PROPOSAL [AND/OR] CONSULTANT'S PROPOSAL**

A. The scope of services to be provided by this Agreement consists of those services set forth in CONSULTANT's Proposal dated [Date] attached hereto as Attachment [Identifier] and incorporated herein by this reference. In the event of any conflict, inconsistency, or ambiguity between this Agreement and the Proposal, this Agreement shall govern. CONSULTANT agrees to perform all services stated in this Agreement for the compensation described herein.

[OR]

B. The scope of services to be provided by this Agreement are those services identified in SacSewer's Request for Proposal (RFP) dated [Date], and CONSULTANT's Proposal dated [Date]. Both the RFP and the Proposal are hereby incorporated into this Agreement as Attachments [Identifier] and [Identifier], respectively, and made a part of this Agreement. In the event of any inconsistencies or ambiguities, the Proposal shall govern over the RFP, and this Agreement shall govern over all. CONSULTANT agrees to perform all services stated in this Agreement for the compensation described herein.

[AND]

C. The District Engineer or designee, may negotiate with CONSULTANT and approve reasonable modifications in tasks, work products, schedules, milestones, and staff assignments so long as such modifications are within the general scope of services provided under this Agreement, do not exceed the Maximum Total Payment Amount, and are determined to be in the best interest of SacSewer.

[Optional]

**D. ON-CALL OR SPECIAL SERVICES**

Special Services shall be provided by CONSULTANT on an "on-call" basis: when requested by SacSewer's Project Manager, CONSULTANT shall provide project-specific proposals and shall commence the proposed services only upon written authorization of SacSewer's District Engineer. CONSULTANT agrees to perform all services stated in this Agreement for the compensation described herein.

**3. SCHEDULE**

A. CONSULTANT shall complete the services in an expeditious manner and transmit all applicable materials to SacSewer as stated in Attachment [Identifier] or as mutually adjusted with SacSewer's Project Manager.

[OR]

B. CONSULTANT shall perform the services in an expeditious manner in accordance with a mutually acceptable schedule developed between SacSewer and CONSULTANT.

**4. RESPONSIBILITIES OF SACSEWER AND CONSULTANT FOR SCOPE**

A. SacSewer, or its authorized representatives, shall review all documents submitted by CONSULTANT and render decisions pertaining thereto as promptly as is reasonable under the circumstances at the time in order to avoid unreasonable delay of the progress of CONSULTANT. SacSewer shall furnish information and services as required by this Agreement and shall render approvals and decisions as expeditiously as is reasonably necessary under the circumstances at the time for the orderly progress of the CONSULTANT's services and of the project.

B. CONSULTANT shall be solely responsible for the quality and accuracy of its work and the work of its subconsultants performed in connection with this Agreement. Any review, approval, or concurrence therewith by SacSewer shall not be deemed to constitute acceptance or waiver by SacSewer of any error or omission as to such work. CONSULTANT shall coordinate the activities of any subconsultants and is responsible to ensure that all plans, drawings, and specifications are coordinated and interface with the other applicable plans, drawings, and specifications to produce a unified, workable, and acceptable whole functional product.

**5. AUTHORITY OF CONSULTANT PERFORMING SCOPE OF WORK**

CONSULTANT is retained to provide and perform the scope of services covered by this Agreement. CONSULTANT, including CONSULTANT's assigned personnel, shall have no authority to represent SacSewer or SacSewer staff at any meetings of public or private agencies unless an appropriate SacSewer official provides prior written authorization for such representation which outlines the purpose, scope and duration of such representation. CONSULTANT shall possess no authority or right to act on behalf of SacSewer in any capacity whatsoever as agent, nor to bind SacSewer to any obligations whatsoever. SacSewer is responsible for making all policy and governmental decisions related to the work covered by this Agreement.

**6. PUBLICATION OF DOCUMENTS AND DATA**

CONSULTANT shall not publish, or disclose to any third party, documents, data, or any confidential information relative to the work of SacSewer without the prior written consent of SacSewer, however submission or distribution to meet official regulatory requirements, or for other purposes authorized by this Agreement, shall not be construed as publication in derogation of the rights of either SacSewer or CONSULTANT.

**7. PROJECT PERSONNEL**

In the performance of the services hereunder, CONSULTANT shall provide the personnel as set forth in the Proposal. Any change in such personnel or reassignment in their project responsibilities must be agreed to in writing by the District Engineer or his authorized representative before any such change may be made. Key contacts for this project shall be as follows:

**SacSewer:**

NAME:  
PHONE:  
FAX:  
E-MAIL:

**CONSULTANT:**

NAME:  
PHONE:  
FAX:  
E-MAIL:

SAMPLE

**EXHIBIT B to Agreement  
between  
SACRAMENTO AREA SEWER DISTRICT  
And \_\_\_\_\_**

**SACSEWER INSURANCE REQUIREMENTS**

Without limiting CONSULTANT's indemnification, CONSULTANT shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by CONSULTANT, its agents, representatives, or employees. SacSewer shall retain the right at any time to review the coverage, form, and amount of the insurance required hereby. If in the opinion of SacSewer Risk Manager, insurance provisions in these requirements do not provide adequate protection for SacSewer and for members of the public, SacSewer may require CONSULTANT to obtain insurance sufficient in coverage, form and amount to provide adequate protection. SacSewer's requirements shall be reasonable but shall be imposed to assure protection from and against the kind and extent of risks that exist at the time a change in insurance is required.

**1. Verification of Coverage**

CONSULTANT shall furnish SacSewer with certificates evidencing coverage required below. Copies of required endorsements must be attached to certificates provided. SacSewer Risk Manager may approve self-insurance programs in lieu of required policies of insurance if, in the opinion of the Risk Manager, the interests of SacSewer and general public are adequately protected. All certificates, evidences of self-insurance, and additional insured endorsements are to be received and approved by SacSewer before performance commences. SacSewer reserves the right to require that CONSULTANT provide complete copies of any policy of insurance including endorsements offered in compliance with these specifications.

**2. Minimum Scope of Insurance**

Coverage shall be at least as broad as:

A. **GENERAL LIABILITY:** Insurance Services Office's Commercial General Liability occurrence coverage form CG 0001. Including, but not limited to Premises/Operations, Products/Completed Operations, Contractual, and Personal & Advertising Injury, without additional exclusions or limitations, unless approved by SacSewer Risk Manager.

B. **AUTOMOBILE LIABILITY:** Insurance Services Office's Commercial Automobile Liability coverage form CA 0001. Commercial Automobile Liability: auto coverage symbol "1" (any auto) for corporate/business owned vehicles. If there are no owned or leased vehicles, symbols 8 and 9 for non-owned and hired autos shall apply. Personal Lines automobile insurance shall apply if vehicles are individually owned.

C. WORKERS' COMPENSATION: Statutory requirements of the State of California and Employer's Liability Insurance.

D. PROFESSIONAL LIABILITY or Errors and Omissions Liability insurance appropriate to CONSULTANT'S profession.

E. EXCESS/UMBRELLA LIABILITY INSURANCE – If any Excess or Umbrella Liability policies are used to meet the limits of liability required by this agreement, then said policies shall be “following form” of the underlying policy coverage, terms, conditions, and provisions and shall meet all of the insurance requirements stated in this document, including, but not limited to, the additional insured, contractual liability & “insured contract” definition for indemnity, occurrence, no limitation of prior work coverage, and primary & non-contributory insurance requirements stated therein. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor’s primary and excess liability policies are exhausted.

**3. Minimum Limits of Insurance**

CONSULTANT shall maintain limits no less than:

A. General Liability shall be on an Occurrence basis (as opposed to Claims Made basis). Minimum limits and structure shall be:

(1) General Aggregate:	\$2,000,000
(2) Products Comp/Op Aggregate:	\$2,000,000
(3) Personal & Adv. Injury:	\$1,000,000
(4) Each Occurrence:	\$1,000,000

B. Automobile Liability:

(1) Commercial Automobile Liability for Corporate/business owned vehicles including non-owned and hired, \$1,000,000 Combined Single Limit.

(2) Personal Lines Automobile Liability for Individually owned vehicles, \$250,000 per person, \$500,000 each accident, \$100,000 property damage.

C. Workers' Compensation: Statutory.

D. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

E. Professional Liability : \$2,000,000 per claim and aggregate.

**4. Deductibles and Self-Insured Retention**

Any deductible or self-insured retention that apply to any insurance required by this Agreement must be declared and accepted by SacSewer.

**5. Claims Made Professional Liability Insurance**

If professional liability coverage is written on a Claims Made form:

- A. The "Retro Date" must be shown, and must be on or before the date of the Agreement or the beginning of Agreement performance by CONSULTANT.
- B. Insurance must be maintained and evidence of insurance must be provided for at least one (1) year after completion of the Agreement.
- C. If coverage is cancelled or non-renewed, and not replaced with another claims made policy form with a "Retro Date" prior to the contract effective date, CONSULTANT must purchase "extended reporting" coverage for a minimum of two (2) year after completion of the Agreement.

**6. Other Insurance Provisions**

The insurance policies required in this Agreement are to contain, or be endorsed to contain, as applicable, the following provisions:

A. All Policies:

(1) ACCEPTABILITY OF INSURERS: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-: VII. SACRAMENTO AREA SEWER DISTRICT Risk Manager may waive or alter this requirement, or accept self-insurance in lieu of any required policy of insurance if, in the opinion of the Risk Manager, the interests of SACRAMENTO AREA SEWER DISTRICT and the general public are adequately protected.

(2) MAINTENANCE OF INSURANCE COVERAGE: The CONSULTANT shall maintain all insurance coverages and limits in place at all times and provide SACRAMENTO AREA SEWER DISTRICT with evidence of each policy's renewal within ten (10) days after its anniversary date. CONSULTANT is required by this Agreement to immediately notify SACRAMENTO AREA SEWER DISTRICT if they receive a communication from their insurance carrier or agent that any required insurance is to be canceled, non-renewed, reduced in scope or limits (except for reduction due to claims), or otherwise materially changed. CONSULTANT shall provide evidence that such cancelled or non-renewed or otherwise materially changed insurance has been replaced or its cancellation notice withdrawn without any interruption in coverage, scope, or limits. Failure to maintain required insurance in force shall be considered a material breach of the Agreement.

B. Commercial General Liability and/or Commercial Automobile Liability:

(1) ADDITIONAL INSURED STATUS: SACRAMENTO AREA SEWER DISTRICT, and the County of Sacramento and their governing Boards, officers, directors, officials, employees, and authorized volunteers and agents (each an "Additional Insured Party," and collectively "Additional Insured Parties"), are to be included as additional insureds as respects: liability arising out of activities performed by or on behalf of CONSULTANT in the performance of work; products and completed operations of CONSULTANT; premises owned, occupied or used by CONSULTANT in the performance of the work; or automobiles owned, leased,

hired or borrowed by CONSULTANT. The coverage shall contain no endorsed limitations on the scope of protection afforded to the Additional Insured Parties.

(2) PRIMARY INSURANCE: For any claims related to this agreement, CONSULTANT's insurance coverage shall be primary insurance as respects any insurance or self-insurance maintained by the Additional Insured Parties. Any insurance or self-insurance maintained by the Additional Insured Parties shall be excess of CONSULTANT's insurance and shall not contribute with it.

(3) SEVERABILITY OF INTEREST: CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(4) SUBCONTRACTORS: CONSULTANT shall be responsible for the acts and omissions of all its subcontractors and additional insured endorsements as provided by CONSULTANT's subcontractor.

C. Professional Liability:

PROFESSIONAL LIABILITY PROVISION: Any professional liability or errors and omissions policy required hereunder shall apply to any claims, losses, liabilities, or damages, demands, and actions arising out of or resulting from professional services provided under this Agreement.

D. Workers' Compensation:

WORKERS' COMPENSATION WAIVER OF SUBROGATION: The workers' compensation policy required hereunder shall be endorsed (via a specific endorsement or as required by written contract) to state that the workers' compensation carrier waives its right of subrogation against the SACRAMENTO AREA SEWER DISTRICT, and the County of Sacramento and their governing Boards, officers, directors, officials, employees, and authorized volunteers and agents, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONSULTANT. Should CONSULTANT be self-insured for workers' compensation, CONSULTANT hereby agrees to waive its right of subrogation against SACRAMENTO AREA SEWER DISTRICT, and the County of Sacramento and their governing Boards, officers, directors, officials, employees, and authorized volunteers and agents

7. **Notification of Claim**

If any claim for damages is filed with CONSULTANT or if any lawsuit is instituted against CONSULTANT, that arise out of or are in any way connected with CONSULTANT's performance under this Agreement and that in any way, directly or indirectly, contingently or otherwise, affect or might reasonably affect SACRAMENTO AREA SEWER DISTRICT, or any Additional Insured Party, CONSULTANT shall give prompt and timely notice thereof to SACRAMENTO AREA SEWER DISTRICT. Notice shall be prompt and timely if given within thirty (30) days following the date of receipt of a claim or ten (10) days following the date of service of process of a lawsuit.

**8. Waiver of Subrogation**

CONTRACTOR hereby grants to SacSewer a waiver of any right to subrogation which any insurer may acquire against SacSewer by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not SacSewer has received a waiver of subrogation endorsement from an insurer.

SAMPLE

**EXHIBIT C to Agreement  
between  
SACRAMENTO AREA SEWER DISTRICT  
And \_\_\_\_\_**

**COMPENSATION**

**1. MAXIMUM PAYMENT TO CONSULTANT**

The Maximum Total Payment Amount under this Agreement is: \$ \_\_\_\_\_.

**2. COMPENSATION COMPONENTS**

A. Time and Expenses: Compensation for services rendered shall be paid on a time and expenses basis at the usual and customary rates for the services actually rendered, as stated in CONSULTANT's Proposal, attached hereto as Attachment [Identifier] and by this reference incorporated herein, and shall not exceed \$ \_\_\_\_\_. The rates stated in Attachment [Identifier] shall apply for all services provided throughout the term of this Agreement. Total compensation, including fees, expenses, and profit for services rendered by CONSULTANT shall not exceed the Maximum Total Payment Amount under this Agreement listed above.

B. Special or Optional Services: Compensation in the amount of \$ \_\_\_\_\_ for services identified in Exhibit [Identifier] as special or optional services may only be released upon written authorization by the District Engineer, or duly authorized designee.

C. Contingency: An additional contingency in the amount of \$ \_\_\_\_\_ is hereby established for possible additional services that may be identified during performance of the work covered by this Agreement and which are within the general work parameters of this Agreement. Such contingency may only be released upon written authorization by the District Engineer.

D. Rate Increases: SacSewer's Project Manager and CONSULTANT may negotiate an adjustment to rates effective January 1st of each year throughout the term of this Agreement, effective January 1, 20[XX], provided that annual adjustments shall not exceed a three percent (3%) increase over the prior year's rates. CONSULTANT shall submit new negotiated rates to SacSewer's Project Manager not less than 30 days prior to said effective date.

Rate increases may only be initiated upon written authorization by the SacSewer's Project Manager. Total compensation, including fees, expenses, and profit for services rendered by CONSULTANT shall not exceed the Maximum Total Payment Amount under this Agreement listed above.

For employees subject to State Prevailing Wages, annual escalations, if any, shall be effective the date(s) stipulated by the Director of Industrial Relations (DIR).

E. Consultant Expenses:

(1) Non-Reimbursable Expenses Are As Follows: Non-reimbursable expenses include alcoholic beverages, expenses associated with a non-employee who accompanies the employee on official business, personal expenses, and traffic fines or parking tickets.

(2) Invoices: CONSULTANT must submit itemized invoices that detail labor hours and expenses. In order to be reimbursed for travel related expenses, CONSULTANT must submit itemized invoices for airfare, hotel stays, cab or shuttle fees, restaurant fees, and related expenses. CONSULTANT must separate out line items for non-taxable expenses.

(3) Lodging, Meals, and Travel: Lodging, meals, and travel during this contract period shall be reimbursed as follows:

- a. Per diem for lodging (equal to the federal standard CONUS per diem rate for Sacramento County at the time of contract negotiation) will be reimbursed for each work night, up to five nights per week.
- b. Per diem for meals and incidentals (equal to the federal standard CONUS per diem rate for Sacramento County at the time of contract negotiation) will be reimbursed for each work day, up to five days per week.
- c. Airfare and local and home transportation costs will be reimbursed at cost with no markup.
- d. Mileage will be reimbursed at the current IRS rate which can be accessed by clicking the following link: <https://www.irs.gov/tax-professionals/standard-mileage-rates>

F. Maximum Allowable Markups: Maximum allowable markups will be five percent (5%) on subconsultants and other direct costs (ODCs).

### 3. **ITEMIZED TASKS AND SUBTASKS**

If CONSULTANT's Proposal contains a schedule of tasks or subtasks with identified levels of effort such as estimated hours and/or estimated costs, or identifiable work products, milestones, or other events, then compensation for these individual tasks or activities shall not exceed the identified estimate or other limiting factors without the written approval of SacSewer's Project Manager. CONSULTANT shall promptly notify SacSewer's Project Manager in writing of any tasks, subtasks, work products, or milestones that need to be reevaluated and indicate the reason and/or justification for such reevaluation. SacSewer's Project Manager is authorized to negotiate adjustments of individual tasks so long as the work is within the general scope of the project and the total compensation does not exceed the Maximum Total Payment Amount under this Agreement listed above.

### 4. **WORK NOT IN SCOPE OF SERVICES**

CONSULTANT shall immediately notify SacSewer's Project Manager in writing of any work that SacSewer requests to be performed that CONSULTANT believes is outside of the original scope of work covered by this Agreement. If it is determined that said request is outside of the scope of work, such work shall not be performed unless and until the District Engineer approves such request in writing and authorizes the use of any

contingency funds for such work, or an amendment providing for an adjustment in CONSULTANT's compensation is approved and executed by both parties.

**5. NOTIFICATION OF 75% EXPENDITURE OF COMPENSATION**

CONSULTANT shall notify SacSewer's Project Manager in writing upon expenditure of seventy-five percent (75%) of the authorized Agreement amount. Such notice shall identify the percentage of funds expended, the percentage of work completed, an explanation of any variation between these two (2) percentages, and an assessment of the cost of the remaining work to be performed.

**6. SUBMISSION OF INVOICES**

CONSULTANT shall address and submit all invoices associated with this Agreement by electronic means, including via email to [sacsewerap@sacsewer.com](mailto:sacsewerap@sacsewer.com), or U.S. mail or personal delivery to the following address:

Sacramento Area Sewer District  
10060 Goethe Road  
Sacramento, CA 95827  
ATTN: CONTRACTS ACCOUNTS PAYABLE

CONSULTANT shall include the following information on all invoices:

- (1) Contract Number: Click or tap here to enter text.
- (2) Project Name: Click or tap here to enter text.
- (3) Date of Invoice Submission
- (4) Time Period Invoice Covers
- (5) Services Provided and Respective Compensation Requested
- (6) Any other information deemed necessary by CONSULTANT and/or SacSewer

SacSewer may change the address to which subsequent invoices shall be sent by giving written notice designating a change of address to CONSULTANT, which shall be effective upon receipt.

**7. PAYMENTS**

In accordance with the Compensation and Payment of Invoices Limitations provision of this Agreement, SacSewer shall address and submit payments to CONSULTANT at [address in the Notice provision of this Agreement or the following address]

**CONSULTANT's Name**  
**Address**

CONSULTANT may change the address to which subsequent payments shall be sent by giving written notice designating a change of address to SacSewer, which shall be effective upon receipt.

ATTACHMENT C

**IRAN CONTRACTING ACT DISCLOSURE FORM**

(California Public Contract Code, sections 2202-2208)

When responding to a bid or proposal or executing a contract or renewal for a Sacramento Area Sewer District contract for goods or services of \$1,000,000 or more, a vendor must either: a) certify it is not on the current list of persons engaged in investment activities in Iran created by the California Department of General Services (“DGS”) pursuant to Public Contract Code section 2203(b) and is not a financial institution extending twenty million dollars (\$20,000,000) or more in credit to another person, for 45 days or more, if that other person will use the credit to provide goods or services in the energy sector in Iran and is identified on the current list of persons engaged in investment activities in Iran created by DGS; or b) demonstrate it has been exempted from the certification requirement for that solicitation or contract pursuant to Public Contract Code section 2203(c) or (d).

To comply with this requirement, please provide your vendor or financial institution name and complete one of the options below. Please note: California law establishes penalties for providing false certifications, including civil penalties equal to the greater of \$250,000 or twice the amount of the contract for which the false certification was made; contract termination; and three-year ineligibility to bid on contracts. (Public Contract Code section 2205.)

**OPTION #1 - CERTIFICATION**

I, the official named below, certify I am duly authorized to execute this certification on behalf of the vendor/financial institution identified below, and the vendor/financial institution identified below is not on the current list of persons engaged in investment activities in Iran created by DGS and is not a financial institution extending twenty million dollars (\$20,000,000) or more in credit to another person/vendor, for 45 days or more, if that other person/vendor will use the credit to provide goods or services in the energy sector in Iran and is identified on the current list of persons engaged in investment activities in Iran created by DGS.

<i>Vendor Name/Financial Institution (Printed)</i>	
<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i>	
<i>Date Executed</i>	<i>Executed in</i>

**(Remainder of Page Intentionally Left Blank)**

**OPTION #2 – EXEMPTION**

Pursuant to Public Contract Code sections 2203(c) and (d), a public entity may permit a vendor/financial institution engaged in investment activities in Iran, on a case-by-case basis, to be eligible for, or to bid on, submit a proposal for, or enters into or renews, a contract for goods and services.

If you have obtained an exemption from the certification requirement under the Iran Contracting Act, please fill out the information below, and attach documentation demonstrating the exemption approval.

<i>Vendor Name/Financial Institution (Printed)</i>	
<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i>	
<i>Date Executed</i>	<i>Executed in</i>

## Attachment D

### COMPLIANCE WITH ECONOMIC SANCTIONS IN RESPONSE TO RUSSIA'S ACTIONS IN UKRAINE

Per Executive Order N-6-22, all contractors and grantees that have agreements valued at \$5 million or more with agencies/departments subject to the California Governor's authority are directed to report to their contracting or grantor agency or department regarding their compliance with economic sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as sanctions imposed under state law, if any.

Please insert the contractor/grantee name and Federal ID Number (if available) and complete the notice and attach a report as described below.

#### **NOTICE**

Having conducted a good faith review, I attest that the contractor/grantee is in compliance with the economic sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as sanctions imposed under state law, if any.

<i>Contractor/Grantee Name (Printed)</i>		<i>Federal ID Number (or n/a)</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date</i>		

**Attach a report to this notice form and return it as described in Section 13 of the RFP, describing the steps, if any, you have taken in response to Russia's actions in Ukraine.**

Note that responses may be subject to disclosure under the California Public Records Act. Accordingly, it is within the discretion of the respondent to determine what information to provide. Additionally, please do not include any confidential information or disclosures that could pose security risks.

ATTACHMENT E

RECORDED AT THE REQUEST OF  
AND WHEN RECORDED MAIL TO:  
STATE OF CALIFORNIA  
California State Lands Commission  
Attn: Land Management Division  
100 Howe Avenue, Suite 100-South  
Sacramento, CA 95825-8202

**STATE OF CALIFORNIA  
OFFICIAL BUSINESS**

Document entitled to free recordation  
pursuant to Government Code Section  
27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

A.P.N.s: 289-0340-023, 289-0340-024  
County: Sacramento

**LEASE 2734**

This Lease consists of this summary and the following attached and incorporated parts:

Section 1	Basic Provisions
Section 2	Special Provisions Amending or Supplementing Section 1 or 3
Section 3	General Provisions
Exhibit A	Land Description
Exhibit B	Site and Location Map

**SECTION 1: BASIC PROVISIONS**

**THE STATE OF CALIFORNIA**, hereinafter referred to as Lessor acting by and through the **CALIFORNIA STATE LANDS COMMISSION** (100 Howe Avenue, Suite 100-South, Sacramento, California 95825-8202), pursuant to Division 6 of the Public Resources Code and Title 2, Division 3 of the California Code of Regulations, and for consideration specified in this Lease, does hereby lease, demise, and let to **Sacramento Area Sewer District** hereinafter referred to as Lessee, those certain lands described in Exhibit A hereinafter referred to as Lease Premises, subject to the reservations, terms, covenants, and conditions of this Lease.

**MAILING ADDRESS:**

10060 Goethe Road  
Sacramento, CA 95816 27

**LEASE TYPE:**

General Lease – Public Agency Use

**LAND TYPE:**

Sovereign

**LOCATION:**

American River, Assessor's Parcel Numbers 289-0340-023 and 289-0340-024, near Rancho Cordova, Sacramento County, as described in Exhibit A attached and by this reference made a part hereof.

**LAND USE OR PURPOSE:**

Use and maintenance of an existing 48-inch and 42-inch stormwater discharge pipeline.

**TERM:**

20 years; beginning October 17, 2024; ending October 16, 2044, unless sooner terminated as provided under this Lease.

**CONSIDERATION:**

The public use and benefit, with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interest.

**AUTHORIZED IMPROVEMENTS:**

**EXISTING:** 48-inch and 42-inch stormwater discharge pipeline

**TO BE CONSTRUCTED:** N/A

**CONSTRUCTION MUST BEGIN BY:** N/A

**CONSTRUCTION MUST BE COMPLETED BY:** N/A

**LIABILITY INSURANCE:**

\$0

**SURETY BOND OR OTHER SECURITY:**

\$0

---

## SECTION 2: SPECIAL PROVISIONS

### BEFORE THE EXECUTION OF THIS LEASE, ITS PROVISIONS ARE AMENDED, REVISED, OR SUPPLEMENTED AS FOLLOWS:

1. Lessee acknowledges that the land described in Exhibit A of this Lease is subject to the Public Trust and is presently available to members of the public for recreation, waterborne commerce, navigation, fisheries, open space, and any other recognized Public Trust uses. Lessee also agrees that Lessee's authorized activities and use of the Lease Premises shall not unreasonably interfere with or limit Public Trust rights and shall do so only to the extent necessary to protect public health and safety during activities authorized by Lessor, or when imminent threats to public health and safety are present.
2. No later than September 30, 2025, and at least once every five (5) years thereafter, Lessee shall conduct (i) a condition/integrity assessment, certified by a California registered Civil/Structural Engineer, of the existing 42-inch and 48-inch diameter pipeline and the vertical structure connecting these two pipelines within the Lease Premises to confirm their fitness for purpose and continued use and (ii) external inspection of the riverbed conditions at the discharge point of the outfall. Additionally, Lessee shall conduct such condition/integrity assessment and external inspection when warranted by extraordinary circumstances such as a significant flood or a significant seismic event. The assessment and inspection schedule may be modified by mutual agreement among the parties hereto. Within sixty (60) days of completion of each assessment or inspection and at no cost to Lessor, Lessee shall submit to Lessor copies of the results of the assessment or inspection including reports, findings, recommendations, and a repair plan with schedule if a repair/remediation to the existing facilities or riverbed is recommended.
3. Lessee shall maintain warning signs capable of being viewed from the water surface and the waterway's banks indicating the location of the existing outfall.
4. Lessee agrees the provisions of Section 3, Paragraph 11 shall also extend to the period of unauthorized occupation of State-owned land from May 4, 2016 through October 16, 2024.
5. Section 3, Paragraph 7.3 is hereby deleted in its entirety.

***[Remainder of page left intentionally blank]***



## Section 3: General Provisions

### Paragraph 1: Definitions

**"Applicable Laws"** are all local, state, and federal statutes, regulations, rules, codes (including building codes), ordinances, judgments, orders, notice requirements, and other requirements of governmental authorities pertaining to the use or condition of the Lease Premises and the conduct of Lessee's business thereon in effect as of the date of execution of this Lease or subsequently enacted and lawfully applied hereto.

**"Damages"** are all liabilities, demands, claims, actions, or causes of action whether regulatory, legislative, or judicial in nature; all assessments, levies, losses, fines, penalties, damages, costs, and expenses, including, without limitation: (i) reasonable attorneys', accountants', investigators', and experts' fees and expenses sustained or incurred in connection with the defense or investigation of any such liability, and (ii) costs and expenses incurred to bring the Lease Premises into compliance with Applicable Laws, Environmental Laws, a court order, or applicable provisions of a Regulatory Agency. The term "Damages" also includes those Damages that arise as a result of strict liability, whether arising under Environmental Laws or otherwise.

**"Environmental Laws"** are any and all federal, state, or local environmental, health, or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits, or permit conditions, treaties and conventions, currently existing and as amended, enacted, issued, or adopted in the future that are or become applicable to Lessee, and the Lease Premises with respect to: (a) the protection, preservation, or clean-up of the environment, wildlife, habitat, or natural resources; (b) the use, treatment, storage, transportation, handling, or disposal of Hazardous Materials; (c) the quality of the air and the discharge of airborne wastes, gases, particles, or other emissions; (d) the preservation or protection of waterways, groundwater, or drinking water; or (e) the health and safety of persons or property.

**"Hazardous Materials"** are any chemical, substance, material, controlled substance, object, condition, waste, living organism, or combination thereof that is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity,

carcinogenicity, mutagenicity, phytotoxicity, infectiousness, or other harmful or potentially harmful properties or effects, including, without limitation, tobacco smoke, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms, or combinations thereof that are now or become in the future listed, defined, or regulated in any manner by any Environmental Laws based on, directly or indirectly, such properties or effects.

**"Improvements"** are any modification, alteration, addition, or removal of any material and any other action that changes the condition of the Lease Premises from the natural state, whether situated above, on, or under the Lease Premises. Improvements include any construction situated on or placement of material within the Lease Premises regardless of value.

**"Lease"** is this document together with all subsequent amendments and exhibits.

**"Major Repairs"** means any work that requires a permit or approval from other agencies, requires environmental review, or requires rebuilding or replacing any of the authorized Improvement(s).

**"Mineral Resources"** includes timber, crops, sand, oil, gas, hard rock minerals and other mineral deposits as defined in Public Resources Code section 6407.

**"Natural Resources"** are all of the flora and fauna native to both the upland terrestrial, fresh water, coastal and marine ecosystems within, and adjacent to, the lease premises.

**"Public Trust"** means the constitutional, statutory, and common law doctrine providing the state's sovereign authority over the navigable waters of the state, including the tidelands and submerged lands underlying those waters that are held in trust for the benefit of all the people of the state and for purposes that include maritime or water-dependent commerce, navigation, fisheries, the preservation of lands in their natural state for scientific study, open space, wildlife habitat, and water-oriented recreation.

**"Repairs"** means work to maintain the Lease Premises and Improvements thereon in good, safe, and clean condition. Repairs are work that is minor in scope, do not require obtaining permits, approvals, or authorizations from other agencies, such as building permits, and do not require environmental review under State or Federal environmental laws.

## Paragraph 2: Rent

2.1. **Absolute Triple Net Lease.** This Lease is an absolute triple net lease, meaning Lessor has no obligation with respect to the payment of taxes, insurance, the cost of maintenance, utilities, repairs, or other costs or obligations associated with the Leased Premises, except as expressly stated herein.

2.2. **Payment of Rent.** Lessee must pay rent annually, on or before each anniversary of this Lease unless this Lease specifies a different rent schedule. The first installment is due on the beginning date of this Lease or within 60 days of Lessor authorizing the Lease at a public meeting, whichever is later. Rent is due each year in advance. Should Lessee submit payments that are less than the full amount of rent due under this Lease, Lessor may provide a supplemental billing invoice. Rent will not be refunded or prorated if Lessee discontinues use of the Lease Premises during the term.

2.3. **Place for Payment.** All payments under this Lease must be submitted to Lessor's principal office as specified in this Lease. Lessee may contact Lessor's accounting staff for Lessor's current practices for payment by credit card or electronic fund transfer.

2.4. **Courtesy Invoices.** Lessor may send courtesy invoices to the address on file for Lessee at least thirty (30) days before a rent payment is due. Lessor's failure to, or delinquency in, providing invoices will neither excuse Lessee from paying rent nor extend the time for paying rent. If Lessor does not send a courtesy invoice, Lessee must submit rent in the amount of the prior year's rent when due and contact Lessor within thirty (30) days to determine the balance due.

2.5. **Penalties and Interest.** Penalties for late payments of any amounts due under this Lease and interest thereon are as provided in Title 2, California Code of Regulations section 1911(b). Timeliness of receipt of remittances shall be as provided in Title 2, California Code of Regulations section 1911(a).

2.6. **Annual Adjustment of Rent.** The rent specified in Section 1 of this Lease will be adjusted annually by the Consumer Price Index as specified in Title 2, California Code of Regulations section 1900(m) & (n) unless otherwise specified in this Lease.

2.7. **Review of Non-Monetary Consideration.** If rent is discounted or waived pursuant to Title 2, California Code of Regulations section 2003(e)(4), Lessor may review such determination at any time and set a monetary rental. Lessee shall be given at least thirty (30) days' notice prior to the date of the Commission

meeting wherein the rent modification is considered, or thirty (30) days' notice prior to the effective date that the rent is changed, whichever provides more notice.

**2.8. Periodic Rent Review.** Lessor may modify the method, amount, or rate of consideration effective on each tenth anniversary of the beginning date of this Lease, in addition to the last two years of the Lease as provided in Provision 14.4 below. Lessor shall consider the factors provided in Title 2, California Code of Regulations section 2003(d) when determining whether a rent modification is appropriate and which rental method listed in section 2003(a) should apply. Should Lessor fail to exercise such right effective on any tenth anniversary, it may do so on any one (1) of the next nine (9) anniversaries following such tenth anniversary, without prejudice to its right to modify rent on the next or any succeeding tenth anniversary of the beginning date. No such modification shall become effective unless Lessee is given at least thirty (30) days' notice prior to the date of the Commission meeting wherein the rent modification is considered or thirty (30) days' notice prior to the effective date of the increase, whichever provides a greater notice period.

2.9. If Lessor elects to prepare an appraisal to establish a new rent, Lessee may, at its option, also provide a timely independent appraisal at its sole expense for Lessor's review and consideration. Prior to Lessee's contracting for such appraisal, Lessor and Lessee shall negotiate in good faith and agree upon the terms and conditions for such third-party appraisal, including but not limited to the highest and best use, appraisal methodology, and minimum appraiser credentials. Such appraisal shall be prepared in accordance with generally accepted and applicable appraisal standards as they are adopted from time to time by the Appraisal Standards Board of the Appraisal Foundation, and Lessor's Appraisal Guidelines.

**2.10. Books and Records.** Lessee must keep and maintain full and accurate accounting books and records of transactions from the Lease Premises in accordance with generally accepted accounting principles for at least the five (5) prior years. The accounting books and records kept and maintained by Lessee for audit purposes must include all records, receipts, journals, ledgers, and documents reasonably necessary to enable Lessor or its auditors to perform a complete and accurate audit of gross sales and exclusions from gross sales in accordance with generally accepted accounting principles. Lessee must also maintain an original receipt for the payment of taxes, assessments, or installments and deliver such to Lessor upon request.

**2.11. Report of Gross Income.** On Lessor's request, Lessee must submit a Report of Gross Income on a form provided by Lessor for the prior five (5) years. This report together with supporting documentation (hereinafter collectively referred to as "Income Reports") must include all business operations located on or over the Lease Premises. The gross income of sublessees and all others generating income on the Lease Premises must be reported separately and with sufficient organization and detail so that Lessor can identify the source of all gross income generated on the Lease Premises.

**2.12. Audits.** On not less than ten (10) days' prior written notice to Lessee, Lessor may cause an audit to be made of the Income Reports and all of Lessee's records and accounting books necessary (in Lessor's judgment) to audit such items. Lessee will make all such books and records available for the audit at the Lease Premises or at Lessor's offices. If the audit discloses an underpayment of Rent, Lessee will immediately pay to Lessor the amount of the underpayment with "Interest" (as provided in Paragraph 2.5), which will accrue from the date the payment should have been made through and including the date of payment. If the audit discloses an underreporting of rent in excess of two percent (2%) of the reported Gross Income, then Lessee will also immediately pay to Lessor all reasonable costs and expenses incurred in the audit and in collecting the underpayment, including auditing costs and attorney fees. If the audit discloses an overpayment of Rent, Lessee will be entitled to a credit in the amount of the overpayment against the next rent payment(s).

### Paragraph 3: Surety

**3.1. Lessee to Obtain Surety.** Lessee shall provide a surety bond or other security device acceptable to Lessor when required by Section 1 of this Lease. Such security shall be for the specified amount, name the State of California, California State Lands Commission, as the assured, and guarantee to Lessor the faithful observance and performance by Lessee of all the terms, covenants, and conditions of this Lease.

**3.2. Lessor's Modification of Surety.** Lessor may require an increase in the amount of the surety bond or other security device to cover any additionally authorized Improvements, any modification of consideration, or to provide for inflation or other increased need for security. The surety bond or other security device may be increased: (i) if any additional Improvements or activities are authorized on the Lease Premises; (ii) if Lessee modifies any existing Improvements such that the cost for removal of such Improvements is increased; (iii) when a periodic rent

review is conducted under section 2.8; (iv) on each fifth anniversary of this Lease, (v) Lessor determines it is in the best interest of the state; (v) within the last two years of the Lease. Should Lessor fail to exercise such right effective on any fifth anniversary, it may do so effective on any one of the next four anniversaries without prejudice to its right to modify the surety on the next fifth anniversary or as otherwise provided above. Lessor will provide at least thirty (30) days' notice prior to the date of the Commission meeting wherein the modification of the surety is considered, or thirty (30) days' notice prior to the effective date of the increase.

**3.3. Lessee's Modification of Surety.** Any security device required under this Lease must be maintained at all times during the Lease term. Lessee must first seek approval of Lessor before changing the surety holder or the type of security device used.

#### Paragraph 4: Insurance

**4.1. Lessee Must Insure Lease Premises.** Lessee must obtain and maintain in full force and effect during the term of this Lease comprehensive general liability insurance and property damage insurance against any and all claims or liability arising out of the ownership, use, occupancy, condition, or maintenance of the Lease Premises and all Improvements. The coverage limit must be no less than the amount specified in Section 1 of this Lease.

**4.2. Insurance Policy Requirements.** The insurance policy must identify the Lease by its assigned number. The coverage provided must be primary and non-contributing. Lessee must keep such policy current. Lessor must be named as a "certificate holder" or an "additional interest" on the policy. Lessee must provide Lessor with a current certificate of insurance at all times. At Lessor's request, Lessee must provide a full copy of the current insurance policy, along with any and all endorsements or other such documents affecting the coverage. Lessor will not be responsible for any premiums or other assessments on the policy.

**4.3. Notice to Lessor.** Lessee shall notify Lessor within five (5) business days if the insurance is canceled for any reason and shall act diligently to replace the insurance. Failure to timely replace the insurance may result in a default of the lease.

**4.4. Modification.** Lessor may require an increase in the amount of the insurance to cover any additionally authorized Improvements, any modification of consideration, or to provide for inflation or other increased need. Insurance

coverage may be increased: (i) if any additional Improvements or activities are authorized on the Lease Premises; (ii) if Lessee modifies any existing Improvements or intensity of use; (iii) when a periodic rent review is conducted under section 2.8; (iv) on each fifth anniversary of this Lease; (v) Lessor determines it is in the best interest of the state; (vi) within the last two years of the Lease. Should Lessor fail to exercise such right effective on any fifth anniversary, it may do so effective on any one of the next four anniversaries without prejudice to its right to modify insurance requirements on the next fifth anniversary. Lessor will provide at least thirty (30) days' notice prior to the date of the Commission meeting wherein the modification of insurance is considered, or thirty (30) days' notice prior to the effective date of the increase.

#### Paragraph 5: Taxes, Assessments, and Fees

**5.1. Revenue and Tax Code Section 107.6 Statement.** Issuance of this Lease creates a possessory interest that may be subject to property taxation. The Lessee may be subject to, and is solely responsible for, any possessory interest taxes levied on the leasehold interest.

**5.2. Lessee to Pay All Taxes, Assessments, and Fees.** In addition to any Rent due under this Lease, Lessee must pay when due all real and personal property taxes imposed on or associated with the Lease Premises during the term of this Lease. This includes, without limitation: possessory interest taxes, assessments, special assessments, user fees, and service charges. If this Lease begins or ends during a tax year, Lessee must pay the taxes, assessments, and fees for the portion of the tax year the Lease was in effect.

**5.3. Reimbursement Agreements.** Lessee must pay in full any amount owed on the Application Reimbursement Agreement within 30 days of invoice.

**5.4. Records of Payments.** Lessee shall keep the official and original receipt for payments required by this paragraph 5 and provide to Lessor upon request.

#### Paragraph 6: Land Use

**6.1. Only Authorized Uses.** Lessee will use the Lease Premises only for the purposes stated in this Lease. Any additional uses or Improvements require separate authorization from Lessor. Lessee must submit a separate application to Lessor to amend this Lease if Lessee intends to add to or alter the Improvements on, or change the uses of, the Lease Premises.

**6.2. Lessee to Comply with All Applicable Laws.** Lessee, at Lessee's sole expense,

will comply with all Applicable Laws. Lessee must give Lessor immediate written notice on Lessee's becoming aware that the use or condition of the Lease Premises is in violation of any Applicable Laws. Lessee must obtain and maintain all permits or other entitlements.

**6.3. Lease Does Not Substitute for Permits.** This Lease does not substitute for or provide preference in obtaining approval from other federal, state, or local agencies. Lessee is solely responsible for determining what approvals, authorizations, or certifications are required, and will be solely responsible for all costs incurred thereby.

**6.4. No Discrimination.** Lessee, in its use of the Lease Premises, must not discriminate against any person or class of persons on any basis protected by federal, state, or local law.

**6.5. "As Is."** Lessee accepts the Lease Premises "as is" and acknowledges that:

6.5.1. Lessor, including its officers and employees, made no representations or warranties as to the suitability of the Lease Premises for any uses authorized under this Lease. Lessee is solely responsible for determining the suitability of the Lease Premises for any proposed use or Improvements; and

6.5.2. Lessor, including its officers and employees, has made no representations or warranties as to the quality or value of any Improvements found on the Lease Premises, or of their conformity to Applicable Laws. Lessee agrees to inspect any preexisting Improvements at its own cost to determine whether such Improvements are safe and suitable for the Lessee's intended use; and

6.5.3. Damage to or destruction of any Improvements on the Lease Premises by any cause whatsoever does not entitle Lessee to any reduction in rent or extension of this Lease; and

6.5.4. Any Improvements on the Lease Premises are considered personal property and not fixtures; and

6.5.5. Lessee accepts the hazards involved in using or improving such lands. Lessor is not responsible for any damages or reduced use of the Lease Premises caused by: local or invasive flora or fauna, flooding, erosion, climate change, sea level rise, storms, freezing, inclement weather of any kind, acts of god, maintenance or failure of protective structures, and any other such hazards. Lessee will not be reimbursed or receive offset of rent for such hazards; and

6.5.6. The Lease Premises may be subject to pre-existing contracts, leases,

licenses, easements, encumbrances, and claims. The Lease is made without warranty by Lessor of title, condition, or fitness of the land for the stated or intended purpose.

**6.6. Uses Inconsistent with the Public Trust Prohibited.** Unless specifically authorized in this Lease, any use of the Lease Premises which is inconsistent with the Public Trust is prohibited when the Lease Premises are lands subject to the Public Trust.

### Paragraph 7: Climate Change

7.1. Lessee acknowledges that the Lease Premises and adjacent upland may be subject to the hazards exacerbated by climate change, including sea level rise. Potential hazards to the Lease Premises from climate change include but are not limited to flood damage, erosion damage, earthquakes, tsunamis, and damage from waves and storm-created debris. Lessee acknowledges that these impacts associated with climate change may require additional adaptation or protection strategies applied to the improvements on the Lease Premises and additional maintenance.

7.2. Lessee assumes the risks associated with such potential hazards and agrees to be solely responsible for all damages, costs, and liabilities arising as a result of the impacts of such hazards on the Lease Premises. Any additional maintenance or protection strategies necessitated by such hazards may be subject to environmental review and require additional approval by the Lessor.

7.3. Lessee shall conduct monitoring reports within the first three years of lease execution or construction, and at five-year intervals thereafter for the life of the project; and shall also provide Lessor with monitoring reports following any extreme event, including, but not limited to: extreme tide event (including King Tides), earthquake, or tsunami that results in the declaration of a Local Emergency or a State of Emergency (as defined in Cal. Gov. Code § 8558) or a federal Emergency or Major Disaster (as defined in 44 C.F.R. § 206.2).

### Paragraph 8: Environmental Matters

**8.1. Lessee to Comply with Environmental Laws.** Lessee, at its sole cost and expense, will comply with all Environmental Laws.

**8.2. Hazardous Materials.** Lessee will immediately notify Lessor of any known violation of any Environmental Laws, along with any action, claim, demand, inquiry, or order relating to a violation of Environmental Laws on the Lease

Premises. Lessee must immediately provide copies of all related documents upon Lessor's request. Lessee must immediately notify Lessor and the appropriate governmental emergency response agency, or agencies in the event of any release or threatened release of any Hazardous Material on or about the Lease Premises.

**8.3. Cleanup of Hazardous Materials.** If Hazardous Materials are located on or released onto or about the Lease Premises due to Lessee's activities on the Lease Premises, the Lessee is responsible for the cleanup and disposal of such Hazardous Materials consistent with all Applicable Laws. Lessee must submit a site assessment and removal/remediation plan prepared by a professional, licensed and qualified to remove or remediate the Hazardous Materials for review and approval by Lessor. If Lessor approves the plan in writing, Lessee must commence the removal/remediation at its sole expense, in conformance with all Applicable Laws. Alternately, Lessor may elect to perform the removal/remediation at Lessee's expense. Lessee must compensate Lessor for the actual cost of the removal/remediation within thirty (30) days of receiving a written invoice from Lessor.

**8.4. Inspection.** Lessee will permit Lessor or its agents to enter the Lease Premises on 24-hour notice to inspect, monitor, or take remedial action with respect to Hazardous Materials. If Hazardous Materials are generated, stored, or transported on the Lease Premises, Lessor may require Lessee to conduct an independent environmental site assessment or inspection for the presence or suspected presence of Hazardous Materials. If this assessment or inspection is required, Lessor will be allowed to review and approve the contractor, and the work will be done at Lessee's expense.

**8.5. Conservation.** Lessee will cooperate with and participate in conservation programs for water, electricity, composting, natural gas and recycling programs, including those for the collection of cardboard, metals, plastics, and glass at Lessee's expense.

## Paragraph 9: Repairs, Major Repairs, and Alterations

**9.1. Lessee Required to Perform Repairs.** Lessee is solely responsible for maintaining the Lease Premises, including all Improvements, in good order and repair and in a clean, safe, sanitary, and orderly condition. Lessee is not required to get Lessor's advanced approval for routine Repairs.

**9.2. Major Repairs Require Lessor Approval.** Lessee must obtain Lessor's

advanced written approval prior to conducting any Major Repairs. The decision whether a Repair is a Major Repair, and the decision whether a lease amendment is necessary, will be made by Lessor and based on the scope, cost, and impacts of the work.

**9.3. Alterations Require Lessor Approval.** Any material change in the size, scope, density, type, nature, or intensity of Improvements on or uses of the Lease Premises from what is authorized in this Lease will be considered an Alteration. Lessee may not conduct any Alterations without a modification of this Lease approved by Lessor. The decision whether a change constitutes an Alteration will be made by Lessor and based on the individual facts.

**9.4. Improvements in Disrepair or Unsafe Condition.** Lessee's failure to maintain the Lease Premises or Improvements that have become unsafe or derelict entitle Lessor to require removal under Paragraph 14. After providing notice and opportunity to cure, Lessor may require submission of a written plan to restore the Lease Premises under Paragraph 14. Lessee's failure to comply shall entitle Lessor to terminate this Lease, remove the Improvements from the Lease Premises and recover the costs incurred in doing so from the Lessee.

#### Paragraph 10: Lessor's Reservation of Rights

**10.1. Non-Exclusive Lease.** Lessee's right of occupancy is non-exclusive. Lessee may control access to the Improvements on the Lease Premises. Unless otherwise stated in this Lease, Lessee may exclude persons from the Lease Premises only when their presence or activity constitutes a material interference with the Authorized Use of the Lease Premises.

**10.2. Lessee Responsible for Impacts to Natural Resources and Public Trust Uses.** When the Lease Premises include school lands or sovereign lands, the Lessee is responsible for any damage or adverse impacts to Natural Resources within or adjacent to the Lease Premises. It is the intention of Lessor to limit the transfer of rights under this lease to the minimum level required to carry out the primary purpose of the Lease. Lessee's use of the Lease Premises must minimize impacts to the Public Trust if the Lease Premises are subject to the Public Trust. Lessee must not interfere with public access or Public Trust uses authorized under statute and common law.

**10.3. Mineral Resources.** Mineral Resources may not be removed from the Lease Premises unless specifically authorized under this Lease. Lessee shall not extract, sell, damage, or use Mineral Resources found within the Lease Premises without

specific authorization under this Lease. Lessor reserves the right to grant and transfer Mineral Resources along with the right to grant leases to third parties in and over the Lease Premises for the extraction of such Mineral Resources. Such leasing will not be inconsistent or incompatible with the rights or privileges of Lessee under this Lease.

**10.4. Right to Inspect.** Lessor reserves the right to inspect the Lease Premises. If access to the Lease Premises is reasonably accomplished by passing through adjacent property owned by Lessee, Lessor shall provide 24-hour notice prior to entry and Lessee shall grant such entry for inspection of the Lease Premises.

**10.5. Statutory Reservations.** Lessor reserves to the public an easement across the Lease Premises complying with Public Resources Code section 6210.4 and Public Resources Code section 6210.5.

**10.6. Multiple Overlapping Leases Allowed.** Lessor reserves the right to lease, convey, or encumber the Lease Premises, in whole or in part, during the Lease term for any purpose not inconsistent or incompatible with the rights or privileges of Lessee under this Lease.

#### Paragraph 11: Indemnity

**11.1. Lessee's Sole Risk.** Lessee's use of the Lease Premises and any Improvements thereon, including use by guests and invitees, is at Lessee's sole and exclusive risk.

**11.2. Lessee to Indemnify Lessor.** Except to the extent caused by the sole negligence or willful misconduct of the Lessor, Lessee shall indemnify, hold harmless, and, at the option of Lessor, defend Lessor, its officers, agents, and employees from any and all Damages resulting from Lessee's occupation and use of the Lease Premises. Lessee shall reimburse Lessor in full for all reasonable costs and attorneys' fees, specifically including, without limitation, any Damages arising by reason of: (1) The issuance, enjoyment, interpretation, or breach of this Lease; (2) The challenge to or defense of any environmental review upon which the issuance of this Lease is based; (3) The death or injury of any person, or damage to or destruction of any property from any cause whatever in any way connected with the Lease Premises, or with any of the Improvements or personal property on the Lease Premises; (4) The condition of the Lease Premises, or Improvements on the Lease Premises; (5) An act or omission on the Lease Premises by Lessee or any person in, on, or about the Lease Premises; (6) Any work performed on the Lease Premises or material furnished to the Lease

Premises; (7) Lessee's failure to comply with any Applicable Laws or violation of any Environmental Laws; (8) The costs for any cleanup or other response costs relating to the release or threatened release of Hazardous Materials on the Lease Premises during Lessee's occupation of the Lease Premises. This obligation includes any prior leases between Lessee and Lessor and will continue until Lessee has performed all duties under Paragraph 14.

**11.3. Lessor Not Required to Defend.** Lessor need not defend itself against all or any aspect of any challenge to this Lease or any associated environmental review. However, Lessee may take whatever legal action is available to it to defend this Lease or any associated environmental review against any challenge by a third party, whether or not Lessor chooses to raise a defense against such a challenge.

**11.4. Lessee to Notify Lessor.** Lessee shall notify Lessor immediately in case of any accident, injury, or casualty on the Lease Premises.

#### Paragraph 12: Assignment, Encumbrance, or Sublet

**12.1. Lessor's Consent Required for Assignment.** Lessee shall not mortgage; hypothecate; encumber; assign; sublet; enter into franchise, license, or concession agreements; or otherwise transfer all or part of this Lease (collectively "Assign" or "Assignment") without Lessor's advanced and expressed consent at a properly noticed public meeting. Any purported Assignment without Lessor's consent will be void and of no force or effect and will not confer any estate or benefit on anyone. A consent to one Assignment by Lessor will not be deemed to be a consent to any subsequent Assignment by or to any other party.

**12.2. Lessee Actions Not Considered Assignments.** If Lessee is a public corporation whose stock is traded on a nationally recognized stock exchange, sale or transfer of such stock is not an Assignment.

**12.3. Procedures.** If Lessee desires to Assign this Lease, Lessee will apply to Lessor for the proposed Assignment. The Assignment will be considered by Lessor at a public meeting. Lessor may require any of the following in considering consent of an Assignment: (a) the nature, effective date, terms, and conditions of the assignment; (b) a description of the identity, net worth, and previous business experience of the proposed assignee; (c) a complete business plan prepared by the proposed assignee; and (d) any further information relevant to the proposed Assignment that Lessor reasonably requests. Lessor may either (i) consent to the proposed Assignment; (ii) refuse to consent to the proposed

Assignment; or (iii) determine that it is preferable to terminate this Lease and issue a new lease to the proposed assignee.

**12.4. Standard for Consent.** Lessor may refuse its consent to the proposed Assignment on any reasonable grounds. Reasonable grounds include, without limitation: (a) the proposed assignee intends to use the Lease Premises for different activities or uses than those set forth in Section 1; (b) the proposed assignee's financial condition is deemed by Lessor to be inadequate to support the financial and other obligations of Lessee under this Lease; (c) the business reputation or character of the proposed assignee is not reasonably acceptable to Lessor; (d) the proposed assignee is not likely to conduct a business of a quality substantially equal to that conducted by Lessee; (e) the proposed assignee's planned use of the Lease Premises would increase the burden on the Lease Premises, involve an increased risk of the presence, use, release, or discharge of Hazardous Materials; or (f) Lessor has not received adequate assurance that all breaches will be cured before the effective date of the proposed Assignment.

**12.5. Additional Terms.** Lessee's Assignment of the Lease does not release Lessee from liability for any Hazardous Materials or ordinance manufactured, generated, used, placed, disposed, stored, or transported on the Lease Premises during Lessee's tenancy. An unauthorized assignment does not relieve Lessee from its covenants and obligations under this Lease. Lessor's acceptance of any payment due under this Lease from any person other than Lessee will not be deemed to be a waiver by Lessor of any provision of this Lease or to be a consent to any Assignment.

**12.6. Bankruptcy.** If Lessee files a petition or an order for relief is entered against Lessee under the Bankruptcy Code (11 U.S.C. § 101, et seq.), then the trustee or debtor-in-possession must elect to assume or reject this Lease within sixty (60) days after filing of the petition or appointment of the trustee, or as that deadline may be extended by order of the court, or the Lease shall be deemed to have been rejected and Lessor shall be entitled to immediate possession of the Lease Premises. No assumption or assignment of this Lease shall be effective unless it is in writing and unless the trustee or debtor-in-possession has cured all breaches of this Lease (monetary and non-monetary) or has provided Lessor with adequate assurances (a) that within ten (10) days from the date of such assumption or assignment, all monetary breaches of this Lease will be cured; and (b) that within thirty (30) days from the date of such assumption, all non-monetary breaches of this Lease will be cured; and (c) that all provisions of this Lease will

be satisfactorily performed in the future.

**12.7. Permitted Assignments.** The following Assignments are permitted under this Lease without Lessor's consent: (a) Assignment caused by the death of a spouse where the full interest of the deceased spouse is Assigned to a surviving spouse who is a co-lessee on this Lease, provided Lessor is notified in writing within thirty (30) days of the assignment; (b) assignment caused by the dissolution of the marriage of Lessee when the full interest of one spouse is assigned to the other spouse who is a co-lessee on this Lease, provided Lessor is notified in writing within thirty (30) days of the transfer; and (c) substitution or succession of a new trustee if the Lease is held in trust and the Lessee is a trustee or successor trustee thereof, provided Lessor is notified in writing no later than sixty (60) days after the named trustee as appears on the face of this Lease becomes unable or ceases to serve as trustee for any reason.

**12.8. Lessee Remedies.** If Lessor withholds or conditions its consent and Lessee believes that Lessor did so contrary to the terms of this Lease, then Lessee's sole remedy will be to prosecute an action for declaratory relief to determine if Lessor properly withheld or conditioned its consent, and Lessee hereby waives all other remedies.

### Paragraph 13: Breach

**13.1. Events of Breach.** All covenants and agreements contained in this Lease are declared to be conditions to this Lease. Lessee's failure to pay rent when due or any other charges under this Lease for five (5) days after written notice from Lessor to Lessee will be considered a monetary breach. Lessee's failure to perform any other promise, covenant, or agreement under this Lease for more than thirty (30) days after written notice from Lessor to Lessee will be considered a non-monetary breach. If a non-monetary breach cannot be cured within the thirty (30)-day period, the breach will be deemed to be cured if Lessee begins to cure the breach within the thirty (30)-day period and continues to diligently complete the cure.

**13.2. Breach of Lease.** Lessor shall provide written notice to Lessee specifying the particulars of the breach. Should Lessee fail to cure the breach within the period specified in Paragraph 13.1, then Lessor may elect to pursue any available remedies under law, or those specified in paragraph 13.3, below.

**13.3. Remedies on Breach of Lease.** In addition to any other rights or remedies at law or equity, Lessor may, without further notice, (a) terminate this Lease, reenter

and take possession of the Lease Premises and remove all persons and all Improvements therefrom at Lessee's cost; or (b) keep this Lease in effect without declaring this Lease terminated and without terminating Lessee's right to possession, reenter the Lease Premises and occupy the whole or any part for and on account of Lessee and collect any unpaid rentals and other charges that have become payable or that may thereafter become payable; or (c) terminate this Lease after reentering the Lease Premises as provided in subclause (b) above. Any notice required to be given by Lessor above will be instead of, and not in addition to, any notice required under the laws of the State of California.

**13.4. Determination of Rental Value.** If rent under this Lease is calculated as percentage of Lessee's income attributable to the Lease Premises and Lessee abandons the Lease Premises, then the reasonable rental value shall be the percentage of proceeds Lessor would have received had Lessee operated the Lease Premises in the usual and customary manner.

**13.5. Acceptance of Rent When Lessee is in Breach.** Lessor's acceptance of any rent shall not be considered a waiver of any preexisting Breach by Lessee other than the failure to pay the particular rent accepted regardless of Lessor's knowledge of the preexisting Breach at the time rent is accepted, unless the breach was a monetary breach and the payment occurs during the cure period specified in Paragraph 13.1.

**13.6. Acceptance of Payments After Lease Termination.** Lessee's submission or Lessor's acceptance of any payments after the expiration or termination of this Lease shall not reinstate or extend this Lease. Lessor may elect to retain any payment submitted and apply these payments to offset any damages claimed against Lessee; or Lessor may elect to allow a holdover tenancy under Paragraph 14.6; or Lessor may elect to refund the payments less a reasonable handling fee.

**13.7. Waiver of Rights.** The failure or delay of either party to exercise any right or remedy shall not be construed as a waiver of such right or remedy or any Breach by the other party.

#### Paragraph 14: Conditions of Lease Termination

**14.1. Use of State Land.** This Lease authorizes the use or occupation of state land for a fixed term of years without options or rights of renewal. Lessee accepts that future leases authorizing the continued existence of any Improvements

constructed or maintained by Lessee on the Lease Premises are subject to a discretionary action of the California State Lands Commission. Submission of an application for a new lease does not guarantee a new lease will be granted to Lessee. Lessee acknowledges that construction of Improvements on the Lease Premises and investment in or obtaining financing for the uses authorized under this Lease is done in full understanding that future leases are not guaranteed. Lessee also affirmatively represents that the cost of removing Improvements was considered before entering into this Lease and placing or assuming any Improvements on state land.

**14.2. Abandonment.** Lessee's right of access to the Lease Premises was a material consideration in Lessor issuing this Lease. If, without prior notice to Lessor, Lessee sells, abandons, or loses title to the upland property adjacent to the Lease Premises, or otherwise loses the legal right to access the Lease Premises, Lessor may deem this an abandonment of the Lease Premises. Lessee must actively maintain and manage any Improvements authorized by this Lease. Should Lessee discontinue use, management, or maintenance of the authorized Improvements, Lessor may deem this an abandonment and elect to terminate the Lease. Alternately, Lessor has the remedy described in California Civil Code section 1951.4 (Lessor may continue lease in effect after Lessee's breach and abandonment and recover rent as it becomes due if Lessee has right to sublet or assign, subject only to reasonable limitation). Abandonment of the Lease Premises shall not relieve Lessee of any obligations under this Lease.

**14.3. Restoration.** In issuing this Lease it is Lessor's understanding that all Improvements will be removed from state land at the expiration or termination of this Lease. If Lessee abandons the Lease Premises, or Lessor terminates this Lease, or this Lease expires without execution of a new lease authorizing Lessee's use of the Lease Premises, Lessee must: 1) remove all Improvements regardless of whether Lessee constructed or placed Improvements together with all debris at its sole expense and risk, restoring the Lease Premises to as close as possible to an unimproved condition to Lessor's satisfaction; and 2) immediately surrender possession of the Lease Premises. Lessor may, in its sole discretion, allow all or any portion of the Improvements to remain in place. In carrying out this obligation, Lessee acknowledges that further authorizations, review of the Restoration Plan, and environmental review may be necessary as outlined in Section 14.4 below.

**14.4. Two Years Prior to Expiration.** (A) If Lessee desires to continue the uses authorized under this Lease, Lessee shall submit an application together with all

required fees at least two years prior to the expiration of this Lease. Submission of an application does not guarantee a new lease will be granted to Lessee. (B) If Lessee does not desire to occupy the Lease Premises beyond the term of this Lease, then two years prior to the expiration of this Lease, Lessee shall submit an application, including a detailed plan to remove all Improvements and restore the Lease Premises to the condition existing prior to the installation or construction of any Improvements. The plan must include a timeline for obtaining all necessary permits. The restoration plan may require a subsequent environmental review and approval from Lessor. (C) Lessor may modify annual rent, surety and insurance within the last two years of the Lease.

**14.5. Failure to Restore Lease Premises.** Lessee's failure to remove improvements, restore the Lease Premises, or surrender possession of the Lease Premises at the expiration or sooner termination of this Lease shall not constitute a renewal or extension and shall not give Lessee any rights in or to the Lease Premises or any part thereof. Lessee shall not be entitled to any compensation for Improvements left on the Lease Premises at the termination or expiration of this Lease. Lessor may, in its sole discretion, elect to treat the Improvements as abandoned and remove all or any portion of Improvements from the Lease Premises. Lessee's failure to adequately restore the Lease Premises imposes significant financial liability on Lessor. As a result, Lessee shall be responsible for all expenses incurred by Lessor in restoring the Lease Premises, including, without limitation, staff time, environmental work or permitting, contractor costs, and reasonable attorney's fees.

**14.6. Holdover.** This Lease terminates without further notice at the end of its term. Lessor may, in its sole discretion, choose to accept Rent for the Lease Premises and allow a period of holdover tenancy. Any holdover tenancy shall be on a month-to-month basis. Lessee's submittal of annual rent during holdover does not constitute tenancy longer than month-to-month. Any holdover tenancy shall be on the same terms as this Lease insofar as such terms can be applicable to a month-to-month tenancy. The rent for each month or any portion thereof during such holdover period is one hundred fifty percent (150%) of one-twelfth (1/12) of the total compensation for the most recent year paid. The month-to-month tenancy may be terminated by Lessor upon thirty (30) calendar days' prior written notice to Lessee.

**14.7. Holdover on Leases with No Monetary Consideration.** In the event this Lease does not require monetary consideration, 14.6 shall continue to apply, and in addition: 1) Lessor shall have the right to establish rent based on the fair

market value of the Lease Premises, and 2) In no way shall the prior lease consideration limit damages for trespass.

14.8. **Quitclaim.** In the event this Lease is terminated prior to expiration, Lessee shall deliver a quitclaim of all rights under this Lease to Lessor on request. Lessee shall execute and deliver such quitclaim to Lessor in a form provided by Lessor. Should Lessee fail or refuse to deliver such a release, Lessor may record a written notice reciting such failure or refusal. This written notice shall, from the date of its recordation, be conclusive evidence against Lessee of the termination of this Lease and all other claimants.

### Paragraph 15: Additional Provisions

15.1. **Conflict in Terms.** In the case of any conflict between these General Provisions and Special Provisions found in Section 2, the Special Provisions control.

15.2. **Boundaries.** This Lease does not establish the State's boundaries in so far as it relates to land and resource jurisdiction and ownership and is made without prejudice to either party regarding any land and water boundary or title claims which may be asserted presently or in the future.

15.3. **No Waiver.** Lessor's acceptance of a late or nonconforming performance shall not constitute a waiver unless such waiver is expressly acknowledged by Lessor in writing. Lessor's delay in or omission to exercise any right under this Lease shall not constitute a waiver.

15.4. **Time is of the Essence.** Time is of the essence for this Lease and each and all of its terms, covenants or conditions in which performance is a factor.

15.5. **Notice.** All notices required to be given under this Lease shall be given in writing, sent by U.S. Mail or other reputable private carrier with postage prepaid, to Lessor at the offices of the State Lands Commission and the Lessee at the address specified in this Lease. Lessor's staff and Lessee may agree to accept any notice by electronic mail. Lessee shall give Lessor notice of any change in its name or address.

15.6. **Consent.** Lessor's consent to one transaction or event shall not be deemed to be a consent to any subsequent occurrence.

15.7. **Changes.** This Lease may only be amended, revised, or supplement by written agreement of the Parties.

15.8. **Joint and Several Obligation.** If more than one Lessee is a party to this

Lease, the obligations of the Lessees shall be joint and several.

15.9. **Captions.** The section and paragraph captions used in this Lease are for the convenience of the Parties. The captions are not controlling and shall have no effect upon the construction or interpretation of this Lease.

15.10. **Severability.** If any term, covenant, or condition of this Lease is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and each term and provision of this Lease shall remain valid and enforceable to the fullest extent permitted by law.

15.11. **Representations.** Lessee agrees that no representations have been made by Lessor or by any person or agent acting for Lessor except those stated in this Lease. This document contains the entire agreement of the Parties. No verbal agreements, representations, warranties, or other understandings affect this Lease. Lessor and Lessee, as a material part of the consideration of this Lease, waive all claims against the other for rescission, damages, or otherwise by reason of any alleged covenant, agreement, or understanding not contained in this Lease.

15.12. **Gender and Plurality.** In this Lease, words importing any gender include any or all genders, and the singular number includes the plural whenever the context so requires.

15.13. **Survival of Certain Covenants.** All covenants pertaining to bond, insurance, indemnification, restoration obligations, breach or remedies shall survive the expiration or earlier termination of this Lease until Lessee has fulfilled all obligations to restore the Lease Premises as required by this Lease.

15.14. **Counterparts.** This agreement may be executed in any number of counterparts and by different Parties in separate counterparts.

15.15. **Delegation of Authority.** Lessor and Lessee acknowledge that Lessor as defined herein includes the Commission Members, their alternates or designees, and the staff of the Commission. The ability of staff of the Commission to give consent, or take other discretionary actions described herein will be as described in the then-current delegation of authority to Commission staff. All other powers are reserved to the Commission.

15.16. **Successors.** The terms, covenants, and conditions of this Lease shall extend to and be binding upon and inure to the benefit of the heirs, successors, and assigns of the respective parties.

[Remainder of the page left intentionally blank.]

STATE OF CALIFORNIA - STATE LANDS COMMISSION

LEASE NUMBER: 2734

This Lease shall become effective only when approved by and executed on behalf of the State Lands Commission of the State of California and Lessee. The submission of this Lease by Lessor, its agent, or representative for examination by Lessee does not constitute an option or offer to lease the Lease Premises upon the terms and conditions contained herein, or a reservation of the Lease Premises in favor of Lessee. Lessee's submission of an executed copy of this Lease to Lessor shall constitute an offer to Lessor to lease the Lease Premises on the terms and conditions set forth herein.

**IN WITNESS WHEREOF**, the parties hereto have executed this Lease as of the date hereafter affixed.

**LESSEE:** SACRAMENTO AREA SEWER DISTRICT

By: Christoph Dobson  
Christoph Dobson

District Engineer

Date: November 1, 2024

**LESSOR:** STATE OF CALIFORNIA  
STATE LANDS COMMISSION

By: [Signature]

Chief

Title: Land Management Division

Date: DEC 03 2024

Execution of this document was authorized by the California State Lands Commission on October 17, 2024.

ATTACH ACKNOWLEDGMENT

## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of SACRAMENTO )

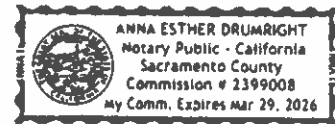
On NOVEMBER 1 2024 before me, ANNA ESTHER DRUMRIGHT, NOTARY PUBLIC  
(insert name and title of the officer)

personally appeared CHRISTOPH DOBSON,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)



**EXHIBIT A**

**LEASE 2734**

**LAND DESCRIPTION**

A strip of submerged land, 15-foot wide, situated in the bed of the American River, lying adjacent to Lot 37 (portion of Section 6, T8N, R6E, MDM) of Del Paso Rancho surveyed on March, 1857, County of Sacramento, State of California and lying 7.5 feet on each side of the following described centerline:

BEGINNING at a point on the historic low water mark on the right bank of the American River, which bears South 13° 50' 37" East 1081.52 feet from the most southerly point of Lot 25, as said Lot 25 is shown and designated on the Official Map of Haggin Bottoms Subdivision No. 1, per map filed on the Office of Recorder of Sacramento County in Book 20 of Maps, Map No. 2; thence South 34° 34' 00" West 360.00 feet to the TERMINUS of the described centerline.

The sidelines of said strip to be lengthened or shortened so as to begin and terminate at the low water mark of the American River.

EXCEPTING THEREFROM any portion lying landward of the low water mark of the right bank of said river.

**END OF DESCRIPTION**

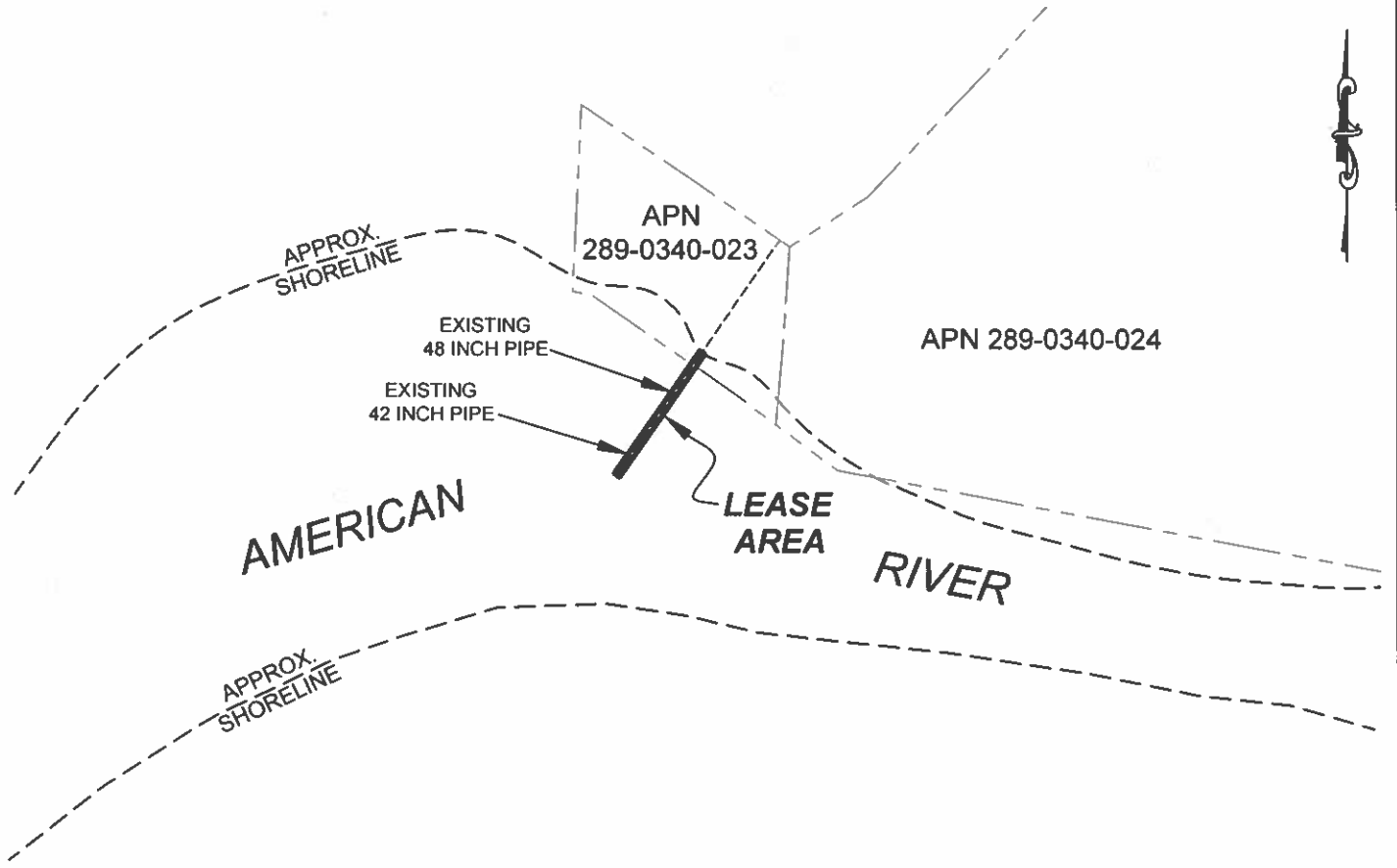
Based on original description prepared by State Lands Commission Boundary Division on December 29, 2010 as found in PRC 2734 file, Calendar Item C26.

Revised 01/19/2022 by the California State Lands Commission Boundary Unit.



NO SCALE

# SITE



## AMERICAN RIVER, NEAR CITY OF RANCHO CORDOVA

NO SCALE

# LOCATION



MAP SOURCE: USGS QUAD

THIS EXHIBIT IS SOLELY FOR PURPOSES OF GENERALLY DEFINING THE LEASE PREMISES, IS BASED ON UNVERIFIED INFORMATION PROVIDED BY THE LESSEE OR OTHER PARTIES AND IS NOT INTENDED TO BE, NOR SHALL IT BE CONSTRUED AS, A WAIVER OR LIMITATION OF ANY STATE INTEREST IN THE SUBJECT OR ANY OTHER PROPERTY.

# Exhibit B

LEASE 2734  
 SACRAMENTO REGIONAL  
 COUNTY SANITATION DISTRICT  
 APNs 289-0340-023 & -024  
 GENERAL LEASE -  
 PUBLIC AGENCY USE  
 SACRAMENTO COUNTY



TS 01/19/2022