

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT for professional services ("Agreement") is made as of the Agreement Date set forth below by and between the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, a political subdivision of the State of California ("the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY"), and Sacramento Valley Conservancy the "CONSULTANT".

In consideration of the services to be rendered, the sums to be paid, and each and every covenant and condition contained herein, the parties hereto agree as follows:

OPERATIVE PROVISIONS

1. SERVICES.

The CONSULTANT shall provide those services described in Attachment "A", Provision A-1. CONSULTANT shall provide said services at the time, place and in the manner specified in Attachment "A", Provisions A-2 through A-3.

2. TERM.

Commencement Date: June 1, 2014

Termination Date: December 31, 2016

Notwithstanding the term set forth above, and unless this contract is terminated by either party prior to its termination date, the term of this Agreement shall be automatically extended from the termination date for ninety days. The purpose of this automatic extension is to allow for continuation of services, and to allow THREE RIVERS LEVEE IMPROVEMENT AUTHORITY time in which to complete a novation or renewal contract for CONSULTANT and THREE RIVERS LEVEE IMPROVEMENT AUTHORITY approval.

CONSULTANT understands and agrees that there is no representation, implication, or understanding that the services provided by CONSULTANT pursuant to this Agreement will be purchased by THREE RIVERS LEVEE IMPROVEMENT AUTHORITY under a new agreement following expiration or termination of this Agreement, and CONSULTANT waives all rights or claims to notice or hearing respecting any failure to continue purchase of all or any such services from CONSULTANT.

3. PAYMENT.

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall pay CONSULTANT for services rendered pursuant to this Agreement at the time and in the amount set forth in Attachment "B". The payment specified in Attachment "B" shall be the only payment made to CONSULTANT for services rendered pursuant to this Agreement. CONSULTANT shall submit all billings for said services to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY in the manner specified in Attachment "B".

4. FACILITIES, EQUIPMENT AND OTHER MATERIALS AND OBLIGATIONS OF THREE RIVERS LEVEE IMPROVEMENT AUTHORITY.

CONSULTANT shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Agreement, unless an exception to this requirement is provided in Attachment "A", Provision A-4.

5. GENERAL PROVISIONS.

The general provisions set forth in Attachment "C" are part of this Agreement. Any inconsistency between said general provisions and any other terms or conditions of this Agreement shall be controlled by the other term or condition insofar as it is inconsistent with the general provisions.

6. DESIGNATED REPRESENTATIVES.

Paul G. Brunner, Executive Director, is the representative of the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY and will administer this Agreement for the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY. Aimee Rutledge, Executive Director is the authorized representative for CONSULTANT. Changes in designated representatives shall occur only by advance written notice to the other party.

7. ATTACHMENTS.

All attachments referred to herein are attached hereto and by this reference incorporated herein. Attachments include:

- Attachment A - Services
- Attachment B - Payment
- Attachment C - General Provisions

8. TERMINATION. THREE RIVERS LEVEE IMPROVEMENT AUTHORITY and CONSULTANT shall each have the right to terminate this Agreement upon 30 days written notice to the other party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on June 4th, 2014.

THREE RIVERS LEVEE
IMPROVEMENT AUTHORITY

Paul G. Brunner 6/4/2014

Paul G. Brunner, P.E.
Executive Director

SACRAMENTO VALLEY CONSERVANCY

Aimee Rutledge

Aimee Rutledge
Executive Director

THREE RIVERS LEVEE IMPROVEMENT
AUTHORITY GENERAL COUNSEL

Andrea P. Clark

Andrea P. Clark

ATTACHMENT A

A.1 SCOPE OF SERVICES AND DUTIES.

The services to be provided by CONSULTANT and the scope of CONSULTANT's duties are described in the Scope of Work titled Feather River Setback Area Habitat Bank

Proposal dated April 17, 2014, which is an appendix to this Attachment A.

A.2. TIME SERVICES RENDERED.

See Appendix.

A.3. MANNER SERVICES ARE TO BE PERFORMED.

As an independent CONSULTANT, CONSULTANT shall be responsible for providing services and fulfilling obligations hereunder in a professional manner: THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall not control the manner of performance.

A.4. FACILITIES FURNISHED BY THREE RIVERS LEVEE IMPROVEMENT AUTHORITY.

CONSULTANT shall, at his/her sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Agreement.

Attachment A – Appendix
Sacramento Valley Conservancy
Feather River Setback Area Habitat Bank Proposal
April 17, 2014

INTRODUCTION

Located on the Feather River a few miles south of Marysville, the 500-acre Feather River FESSRO bank site contains land available for the creation of a public mitigation bank available

to public agencies in need of mitigation credit associated with riparian and riverine habitats. This project proposed herein will accomplish three things: 1) it will identify the physical and biological potential of the Feather River site to produce a reasonable mix of mitigation credits, 2) it will produce a "Prospectus," and a "Bank Enabling Instrument" ("BEI") and related required documents (a development plan, a short-term success criteria management plan, a long-term management plan, preserve management and conservation easement endowment budgets, a conservation easement and mitigation agreement and related documentation—conveyance and access agreements, and a grant of any rights necessary to manage the preserve), and 3) any other documents necessary for regulatory public agencies to certify a formal mitigation bank recognized under state and federal law. The site is located within the Feather River Setback Area on land owned by the Three Rivers Levee Improvement Authority (TRLIA). It is situated entirely within the state-federal levee system protecting the communities of Marysville, Olivehurst and Plumas Lakes and is a natural floodplain within the state-designated floodway. Project partners include the Sacramento Valley Conservancy (SVC--a 501c3 nonprofit organization), TRLIA, the California Department of Water Resources (DWR) and River Partners (a 501-c3, non-profit organization).

OBJECTIVES

The project's first primary objective is to develop a Mitigation Opportunities Analysis for the 500-acre site, which includes an assessment of the potential to restore three habitat types: 1) native perennial grassland to support foraging raptors including but not limited to Swainson's hawk, 2) riparian forest to support various species of Neotropical migratory birds, and 3) riparian shrubland to support the Valley elderberry longhorn beetle.

River Partners is the primary contractor who will identify the potential of the site for ecological restoration to favor the three habitat types described above, assuming no change in the existing topography and utilizing existing hydraulic modeling and other site information—the Mitigation Plan ("Plan"). Specific provisions within the Plan will detail locations, acres, and plant communities that currently exist or can be created to support the development of the Feather River Setback Area Mitigation Bank ("Bank"). The Plan will provide an overall examination of how specific habitats may be enhanced and/or developed to support targeted threatened and endangered species as well as species of special concern. Existing infrastructure located on site will be documented within the Plan, as well as any existing rights. An important constraint on habitat suitability and vegetation density will be to maintain floodway conveyance capacity by not exceeding maximum hydraulic roughness thresholds (per MBK's hydraulic modeling results for the Feather River). All these constraints and infrastructure will be examined for their impact on habitat restoration potential.

The project's second primary objective is to develop a Prospectus, a document that can be used by Bank proponents to create the Bank, and hence, mitigation credits at the Feather River site. The Prospectus will be prepared to the specifications of the Interagency Review Team ("IRT") such that it can be submitted to the IRT for Bank certification. The Sacramento Valley Conservancy, with the assistance of River Partners, as needed, will prepare the Prospectus, and will serve as the Bank Manager and will either serve as the Bank Administrator or coordinate with another entity to serve as Bank Administrator, if the application for Bank status is approved. The role of Administrator consists of selling and tracking the Mitigation Credits and otherwise complying with the requirements of the Bank Enabling Instrument which is the legal

document that defines the rights and responsibilities of the various parties associated with the Bank; the role of the Preserve Manager includes managing the endowment funds and managing and maintaining the site. Once the Prospectus is approved by the IRT, SVC and River Partners will work to develop the BEI and related required documents for formal approval of the Bank. (See “Estimated Bank Approval Timeline” at end of document.) Upon completion of this project and certification of Mitigation Credits, the site will be sequentially restored based on available funding from agencies, including primarily DWR, or other public or private parties requiring mitigation. As a consequence of its financial support of this project, DWR will have first priority status to develop and purchase Mitigation Credits. Other public agencies, and possibly some private entities, will also have the ability to purchase credits from the Bank once it is established.

The Bank will be financed primarily by agencies involved in flood control infrastructure development and system maintenance and possibly by some private parties. Mitigation Credits will be provided to future buyers at a negotiated price that is competitive with commercial mitigation bank credits. The Credit price, as usual with mitigation banks, will include all the costs involved in restoring, establishing and maintaining in perpetuity the restored habitat, including costs to establish the credits, habitat restoration and a permanent endowment to cover the perpetual management and monitoring of the Bank.

TIMELINE

The development of the Mitigation Opportunities Analysis will be completed within 60 days of the execution of this Contract. The Prospectus will be completed within 90 days of the execution of this Contract. Once the Prospectus is prepared, the Sacramento Valley Conservancy will submit it to the Interagency Review Team for the purpose of establishing the Bank to get authorization to proceed with the development of the BEI and other required documents for final Bank approval (target date for submittal of the Prospectus to the IRT is November 30, 2014). The BEI and required document approval package will be prepared within 90 days of IRT approval of the Prospectus and submitted to the IRT as soon as possible thereafter. The estimated date for final Bank approval is June 30, 2016.

DELIVERABLES

1. Mitigation Opportunities Analysis.

River Partners will use existing data and onsite management experience to assess the site for potential restoration and mitigation credit development of three habitat types (Grassland, VELB, Riparian Forest).

2. Demand and Feasibility Analysis. SVC, in coordination with TRLIA, will assess the demand for investing in Mitigation Credits at the site and develop recommendations for the sequence of Credit offerings. They will coordinate with DWR and the relevant regulatory agencies about Bank implementation.

3. **Mitigation Plan.** SVC and River Partners, in coordination with TRLIA, will collaborate to develop a site Mitigation Plan that is intended to optimize the mix of restoration opportunities in a way that responds to the ecological potential of the site, the demand for credits, the floodway's hydrological constraints and the preferences of DWR and the regulatory agencies.

4. **Bank Approval Documents—Prospectus, BEI and Other Required Documents.**

SVC will collect and assemble the information necessary to prepare and submit, and will submit, a complete Prospectus for the creation of the Feather River Setback Area Mitigation Bank to the IRT, and, once the Prospectus is approved, SVC will prepare and submit the BEI and other required documentation for final Bank approval.

WORK PLAN

Task 1: Biological Assessment and Mitigation Opportunities Analysis

SVC will work with TRLIA and River Partners and use their existing biological data and onsite management experience to recommend the possible types and amount of restored habitat for the site.

Task 2: Demand and Feasibility Analysis.

SVC will survey demand for mitigation credits by interviewing likely buyers, and assess feasibility of certification of the Bank by the interviewing members of the IRT, TRLIA and other regional flood control agencies, the US Army Corps of Engineers and the Central Valley Flood Protection Board and will prepare a short report on the results of the investigations.

Task 3: Real Estate Due Diligence.

SVC will perform necessary real estate due diligence to complete the Bank Prospectus.

Task 4: Mitigation Plan.

SVC, in consultation with River Partners and TRLIA, will identify the most desired habitats based on habitat suitability, site constraints, floodway conveyance, and expected demand for mitigation credits from regional flood control agencies, other local and state agencies, California DWR, USACE, and others, and, using that information, will prepare the Plan. This document will include Bank objectives, development of land use/credit development alternatives based on habitat suitability and selection of a preferred alternative, identifying amounts and types of habitats created, and the most ideal phasing of habitat development stages (so that the first credit sales don't unduly constrain existing and future uses of the site), and approximate costs per each type of credit.

Task 5: Prospectus, BEI and other required Bank Approval Documents.

SVC will develop a Prospectus, BEI and other required Bank Approval Documents based on the Mitigation Plan and input by TRLIA, , except the development plan and any related bank management plans, which will be produced separately by River Partners. The Prospectus will include a map, phasing plan and milestones, as well as all of the items listed in the Checklist Prospectus for Mitigation Banks Revised September 2010 by the Multi-Agency Product Delivery Team and the BEI and other documents will conform to the most

recent agency templates.

Task 6: Prospectus and BEI submission.

Sacramento Valley Conservancy will submit the final Prospectus to the Interagency Review Team, and, following approval of the Prospectus, will submit the BEI and other required documents for final bank approval.

Task 7: Bear River and Feather River Setback Area—Other documents

Sacramento Valley Conservancy will prepare conservation easements, baseline documentation reports and long-term management budgets for the existing Bear River, Elderberry and Wetland areas within the Feather River Setback Area and an overall management plan for the Feather River Setback Area, including long-term management tasks for all these existing areas, and the remainder of the Setback Area.

Task 8: Project Management.

SVC will attend at least 20 meetings and conference calls with TRLIA, River Partners and other agencies to coordinate project deliverables. This task also includes project management and invoicing.

PROJECT MAP

The following map shows the Feather River Setback Area and Bear River Habitat Restoration Areas.

BUDGET

Task 1 - Biological Assessment, Mitigation Opportunities.	
SVC Executive and Stewardship Directors (20 hours)	\$2,500
	\$2,500
Task 2 - Demand and Feasibility Analysis.	
SVC Executive Director (30 hours)	\$3,750
	\$3,750
Task 3 - Real Estate Due Diligence.	
SVC Executive Director (20 hours)	\$2,500
SVC Legal Counsel (5 hours)	\$1,975
	\$3,325
Task 4 - Mitigation Plan.	
SVC Executive and Stewardship Directors (30 hours)	\$3,750
SVC GIS consultant (5 hours)	\$500
	\$4,250
Task 5 - Prospectus, BEI and other required Bank Approval Documents.	
SVC Executive and Stewardship Directors (100 hours)	\$12,500
SVC Legal Counsel (75 hours)	\$29,625
Conservation Easement Baseline Report	\$5,000
	\$47,125
Task 6 - Prospectus and BEI submission.	
SVC Executive Director (30 hours)	\$3,750
SVC Legal Counsel (20 hours)	\$7,900
	\$11,650

Task 7- River and Feather River Setback Area—Other documents.	
SVC Executive and Stewardship Directors (250 hours)	\$31,250
SVC Biological/GIS Consultant (30 hours)	\$3,750
SVC Legal Counsel (100 hours)	\$39,500
Conservation Easement Baseline Reports	\$15,000
Community Outreach Meetings (5 public meetings)	\$25,000
	\$114,500
Task 8 - Project Management.	
SVC Executive Director (125 hours)	\$15,625
	\$15,625
SUBTOTAL	\$202,725
Contract administration @ 20.0% (capped at \$25,000)	\$25,000
Project Total	\$227,725

ATTACHMENT B

PAYMENT

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall pay CONSULTANT as follows:

B.1 BASE CONTRACT FEE. THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall pay CONSULTANT a contract fee not to exceed \$227,725; CONSULTANT shall submit requests for payment after completion of services or no later than the tenth (10th) day of the month following provision of services, unless specifically authorized by the TRLIA Executive Director. In no event shall total compensation paid to CONSULTANT under this Provision B.1 exceed \$227,725 without an amendment to this Agreement approved by the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY Board of Directors.

B.2 TRAVEL COSTS. THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall not pay CONSULTANT for meals, lodging or other travel costs not included in this Agreement unless said costs are approved in advance by the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY representative (Operative Provision 7) and then THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall pay THREE RIVERS LEVEE IMPROVEMENT AUTHORITY per diem rates in effect on the date of invoice upon presentation of invoices.

B.3 AUTHORIZATION REQUIRED. Services performed by CONSULTANT and not authorized in this Agreement shall not be paid for by THREE RIVERS LEVEE IMPROVEMENT AUTHORITY. Payment for additional services shall be made to CONSULTANT by THREE RIVERS LEVEE IMPROVEMENT AUTHORITY if, and only if, this Agreement is amended by both parties in advance of performing additional services.

ATTACHMENT C
GENERAL PROVISIONS

C.1 INDEPENDENT CONSULTANT STATUS. At all times during the term of this Agreement, the following apply:

C.1.1 All acts of CONSULTANT shall be performed as an independent CONSULTANT and not as an agent, officer or employee of THREE RIVERS LEVEE IMPROVEMENT AUTHORITY. It is understood by both CONSULTANT and THREE RIVERS LEVEE IMPROVEMENT AUTHORITY that this Agreement is by and between two independent CONSULTANTS and is not intended to and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association.

C.1.2 CONSULTANT shall have no claim against THREE RIVERS LEVEE IMPROVEMENT AUTHORITY for employee rights or benefits, including, but not limited to, seniority, vacation time, vacation pay, sick leave, personal time off, overtime, medical, dental or hospital benefits, civil service protection, disability retirement benefits, paid holidays or other paid leaves of absence.

C.1.3 CONSULTANT is solely obligated to pay all applicable taxes, deductions and other obligations, including, but not limited to, federal and state income taxes, withholding and Social Security taxes, unemployment and disability insurance and Workers' Compensation and Medi-Care payments.

C.1.4 As an independent CONSULTANT, CONSULTANT is not subject to the direction and control of THREE RIVERS LEVEE IMPROVEMENT AUTHORITY except as to the final result contracted for under this Agreement. THREE RIVERS LEVEE IMPROVEMENT AUTHORITY may not require CONSULTANT to change its manner of doing business, but may require it to redirect its efforts to accomplish what it has agreed to do.

C.1.5 CONSULTANT may provide services to others during the same period service is provided to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY under this Agreement.

C.1.6 If in the performance of this Agreement any third persons are employed by CONSULTANT, such persons 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 term of employment or requirements of law shall be determined by the CONSULTANT.

C.1.7 As an independent CONSULTANT, CONSULTANT hereby indemnifies and holds THREE RIVERS LEVEE IMPROVEMENT AUTHORITY harmless from any and all claims that may be made against THREE RIVERS LEVEE IMPROVEMENT AUTHORITY based on any

contention by any third party that an employer-employee relationship exists by reason of this Agreement.

C.2 LICENSES, PERMITS, ETC. CONSULTANT represents and warrants to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY that it has all licenses, permits, qualifications, and approvals of whatsoever nature which are legally required for CONSULTANT to practice its profession. CONSULTANT represents and warrants to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY that CONSULTANT shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, and approvals which are legally required for CONSULTANT to practice its profession at the time the services are performed. Failure of the CONSULTANT to comply with this provision shall authorize the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY to immediately terminate this agreement notwithstanding Operative Provision No. 9.

C.3 TIME. CONSULTANT shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for the satisfactory performance of CONSULTANT'S obligations pursuant to this Agreement. Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.

C.4 INSURANCE. Prior to rendering services provided by the terms and conditions of this Agreement, CONSULTANT or its subCONSULTANTs shall acquire and maintain during the term of this Agreement, insurance coverage, through and with an insurer acceptable to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, naming the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY and any related agency governed by the Board of Directors which is letting the contract or for whom the services under the contract are being provided, and THREE RIVERS LEVEE IMPROVEMENT AUTHORITY'S, or related agency's, officials, employees, and volunteers as additional insured (excluding workers' compensation and professional liability insurance), (hereinafter referred to as "the insurance"). The limits of insurance herein shall not limit the liability of the CONSULTANT hereunder.

C.4.1 TERM. Policies of insurance shall be in effect during the term of this Agreement and shall provide that they may not be canceled without first providing THREE RIVERS LEVEE IMPROVEMENT AUTHORITY with thirty (30) days written notice of such intended cancellation. If CONSULTANT fails to maintain the insurance provided herein, THREE RIVERS LEVEE IMPROVEMENT AUTHORITY may secure such insurance and deduct the cost thereof from any funds owing to CONSULTANT.

C.4.2 MINIMUM SCOPE OF INSURANCE. CONSULTANT shall procure insurance covering general liability, automobile liability, and workers' compensation. Coverage shall be at least as broad as:

(a) Insurance Services Office (ISO) Commercial
General Liability Occurrence form number CG 0001 or

equivalent ISO form. A non-ISO form must be reviewed and approved by the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY Risk Manager prior to acceptance of the Agreement.

(b) Insurance Services Office Business Auto Coverage form number CA 0001 0187 covering Automobile Liability, code 1 “any auto” and Endorsement CA 0029.

(c) Workers’ Compensation insurance as required by the Labor Code of the State of California and Employers Liability insurance.

C.4.3 OTHER INSURANCE PROVISIONS. The policies are to contain, or be endorsed to contain the following provisions:

(a) General Liability and Automobile Liability Coverages.

(i) The THREE RIVERS LEVEE IMPROVEMENT AUTHORITY and the public entity awarding the contract if other than the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, and their officials, employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the CONSULTANT; products and completed operations of the CONSULTANT; premises owned, leased, occupied, or used by the CONSULTANT; or automobiles owned, leased, hired, or borrowed by the CONSULTANT. The coverage shall contain no special limitations on the scope of protection afforded to the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, its officials, employees or volunteers.

(ii) The CONSULTANT’S insurance coverage shall be primary insurance as respects the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, its officials, employees and volunteers and any other insureds under this Agreement. Any insurance or self-insurance

maintained by the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, its officials, employees and volunteers or other insureds shall be excess of the CONSULTANT'S insurance and shall not contribute with it.

(iii) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, its officials, employees and volunteers or other insureds under this Agreement.

(iv) The insurance policy required by this clause shall be endorsed to state that the 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.

(c) All Coverages. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or below minimum limits required under this Agreement except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY.

C.4.4 ACCEPTABILITY OF INSURERS. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

C.4.5 MINIMUM LIMITS OF INSURANCE. CONSULTANT shall maintain limits no less than:

(a) Commercial General Liability: One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement or the general aggregate limit shall be twice the required occurrence limit.

(b) Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury or property damage.

(c) Workers' Compensation and Employers Liability: Workers' Compensation limits as required by the Labor Code of the State of California and Employers Liability limits of One Million Dollars (\$500,000) per accident.

C.4.6 SUBCONSULTANTS. In addition to the above policies, if CONSULTANT hires a subCONSULTANT under this Agreement CONSULTANT shall include all subCONSULTANTS as insureds under its policies or shall furnish separate certificates and endorsements for each subCONSULTANT. All coverages for subCONSULTANTS shall be subject to all of the requirements stated herein. If CONSULTANT requires subCONSULTANTS to provide insurance coverage, then CONSULTANT shall be named as an additional insured under such policy or policies (excluding workers' compensation and professional liability insurance).

C.4.7 DEDUCTIBLES AND SELF-INSURED RETENTIONS. Except as otherwise provided in this Agreement, any deductibles or self-insured retentions must be declared to and approved by the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY. At the option of THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, either the insurer shall reduce or eliminate such deductions or self-insured retentions as respects THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, its officials, employees and volunteers; or, the CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

C.4.8 VERIFICATION OF COVERAGE.

(a) CONSULTANT shall furnish THREE RIVERS LEVEE IMPROVEMENT AUTHORITY with Certificates of Insurance and with original endorsements effecting coverage required by this clause. The certificate(s) and endorsement(s) for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificate(s) and endorsement(s) are to be on forms provided by the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY or on forms received and approved by the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY before work commences. THREE RIVERS LEVEE IMPROVEMENT AUTHORITY reserves the right to require complete, certified copies of all required insurance policies at any time.

(b) CONSULTANT shall not render services under the terms and conditions of this Agreement unless each

type of insurance coverage and endorsement is in effect and CONSULTANT has delivered the certificate(s) of insurance and endorsement(s) to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY as previously described. If CONSULTANT shall fail to procure and maintain said insurance, THREE RIVERS LEVEE IMPROVEMENT AUTHORITY may, but shall not be required to, procure and maintain the same, and the premiums of such insurance shall be paid by CONSULTANT to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY upon demand. The policies of insurance provided herein which are to be provided by CONSULTANT shall be for a period of time sufficient to cover the term of the Agreement, including THREE RIVERS LEVEE IMPROVEMENT AUTHORITY'S acceptance of CONSULTANT'S work. It is understood and agreed that thirty (30) days prior to the expiration of any policy of insurance, CONSULTANT will deliver to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY certificate(s) and endorsement(s) evidencing a renewal or new policy to take the place of the policy expiring.

C.5 INDEMNITY. CONSULTANT shall defend, indemnify, and hold harmless THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, its elected and appointed councils, boards, commissions, officers, agents, and employees from any liability for damage or claims for damage for personal injury, including death, as well as for property damage, which may arise from the intentional or negligent acts or omissions of CONSULTANT in the performance of services rendered under this Agreement by CONSULTANT, or any of CONSULTANT'S officers, agents, employees, CONSULTANTs, or subCONSULTANTs.

C.6 CONSULTANT NOT AGENT. Except as THREE RIVERS LEVEE IMPROVEMENT AUTHORITY may specify in writing, CONSULTANT shall have no authority, express or implied, to act on behalf of THREE RIVERS LEVEE IMPROVEMENT AUTHORITY in any capacity whatsoever as an agent. CONSULTANT shall have no authority, express or implied, pursuant to this Agreement to bind THREE RIVERS LEVEE IMPROVEMENT AUTHORITY to any obligation whatsoever.

C.7 ASSIGNMENT PROHIBITED. CONSULTANT may not assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no legal effect.

C.8 PERSONNEL. CONSULTANT shall assign only competent personnel to perform services pursuant to this Agreement. In the event that THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, in its sole discretion, at any time during the term of this Agreement, desires the removal of any person or persons assigned by CONSULTANT to perform services pursuant to this Agreement, CONSULTANT shall remove any such person immediately upon receiving written notice from THREE RIVERS LEVEE IMPROVEMENT AUTHORITY of its desire for removal of such person or persons.

C.9 STANDARD OF PERFORMANCE. CONSULTANT shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which CONSULTANT is engaged. All products of whatsoever nature which CONSULTANT delivers to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY pursuant to this Agreement shall be prepared in a first class and workmanlike manner and shall conform to the standards or quality normally observed by a person practicing in CONSULTANT'S profession.

C.10 POSSESSORY INTEREST. The parties to this Agreement recognize that certain rights to property may create a "possessory interest", as those words are used in the California Revenue and Taxation Code, §107. For all purposes of compliance by THREE RIVERS LEVEE IMPROVEMENT AUTHORITY with Section 107.6 of the California Revenue and Taxation Code, this recital shall be deemed full compliance by the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY. All questions of initial determination of possessory interest and valuation of such interest, if any, shall be the responsibility of the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY Assessor and the contracting parties hereto. A taxable possessory interest may be created by this contract; and if created, the party in whom such an interest is vested will be subject to the payment of property taxes levied on such an interest.

C.11 TAXES. CONSULTANT hereby grants to the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY the authority to deduct from any payments to CONSULTANT any THREE RIVERS LEVEE IMPROVEMENT AUTHORITY imposed taxes, fines, penalties and related charges which are delinquent at the time such payments under this Agreement are due to CONSULTANT.

C.12 TERMINATION. Upon termination of this Agreement as otherwise provided herein, CONSULTANT shall immediately cease rendering service upon the termination date and the following shall apply:

C.12.1 CONSULTANT shall deliver copies of all writings prepared by it pursuant to this Agreement. The term "writings" shall be construed to mean and include: handwriting, typewriting, printing, photostating, photographing, and every other means of recording upon any tangible thing and form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof.

C.12.2 THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall have full ownership and control of all such writings or other communications delivered by CONSULTANT pursuant to this Agreement.

C.12.3 THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall pay CONSULTANT the reasonable value of services rendered by CONSULTANT to the date of termination pursuant to this Agreement not to exceed the amount documented by CONSULTANT and approved by THREE RIVERS LEVEE IMPROVEMENT AUTHORITY as work accomplished to date; provided, however, THREE RIVERS

LEVEE IMPROVEMENT AUTHORITY shall not in any manner be liable for lost profits which might have been made by CONSULTANT had CONSULTANT completed the services required by this Agreement. In this regard, CONSULTANT shall furnish to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY such financial information as in the judgment of the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY is necessary to determine the reasonable value of the services rendered by CONSULTANT. In the event of a dispute as to the reasonable value of the services rendered by CONSULTANT, the decision of the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall be final. The foregoing is cumulative and does not affect any right or remedy which THREE RIVERS LEVEE IMPROVEMENT AUTHORITY may have in law or equity.

CONSULTANT may terminate its services under this Agreement upon thirty (30) days written notice to the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, without liability for damages, if CONSULTANT is not compensated according to the provisions of the Agreement or upon any other material breach of the Agreement by THREE RIVERS LEVEE IMPROVEMENT AUTHORITY.

C.13 NON-DISCRIMINATION. Throughout the duration of this Agreement, CONSULTANT shall not unlawfully discriminate against any employee of the CONSULTANT or of the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY or applicant for employment or for services or any member of the public because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition, marital status, age, sex or sexual orientation. CONSULTANT shall ensure that in the provision of services under this Agreement, its employees and applicants for employment and any member of the public are free from such discrimination. CONSULTANT shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900, et seq.). The applicable regulations of the Fair Employment Housing Commission implementing Government Code Section 12900, set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. CONSULTANT shall also abide by the Federal Civil Rights Act of 1964 and all amendments thereto, and all administrative rules and regulations issued pursuant to said Act. CONSULTANT shall give written notice of its obligations under this clause to any labor agreement. CONSULTANT shall include the non-discrimination and compliance provision of this paragraph in all subcontracts to perform work under this Agreement.

C.14 REHABILITATION ACT OF 1973/AMERICANS WITH DISABILITIES ACT OF 1990. In addition to application of the non-discrimination provision of this Agreement, above, CONSULTANT agrees to comply with all provisions of section 504 et seq. of the Rehabilitation Act of 1973, and with all provisions of the Americans with Disabilities Act of 1990, and all amendments thereto, and all administrative rules and regulations issued pursuant to said Acts, pertaining to the prohibition of discrimination against qualified handicapped and disabled persons, in all programs or activities, as to employees or recipients of services.

C.15 OWNERSHIP OF INFORMATION. All professional and technical information developed under this Agreement and all work sheets, reports, and related data shall become the

property of THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, and CONSULTANT agrees to deliver reproducible copies of such documents to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY on completion of the services hereunder. The THREE RIVERS LEVEE IMPROVEMENT AUTHORITY agrees to indemnify and hold CONSULTANT harmless from any claim arising out of reuse of the information for other than this project.

C.16 WAIVER. A waiver by any party of any breach of any term, covenant or condition herein contained or a waiver of any right or remedy of such party available hereunder at law or in equity shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained or of any continued or subsequent right to the same right or remedy. No party shall be deemed to have made any such waiver unless it is in writing and signed by the party so waiving.

C.17 COMPLETENESS OF INSTRUMENT. This Agreement, together with its specific references and attachments, constitutes all of the agreements, understandings, representations, conditions, warranties and covenants made by and between the parties hereto. Unless set forth herein, neither party shall be liable for any representations made express or implied.

C.18 SUPERSEDES PRIOR AGREEMENTS. It is the intention of the parties hereto that this Agreement shall supersede any prior agreements, discussions, commitments, representations, or agreements, written or oral, between the parties hereto.

C.19 ATTORNEY'S FEES. If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fee, which may be set by the Court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such party may be entitled.

C.20 CAPTIONS. The captions of this Agreement are for convenience in reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

C.21 DEFINITIONS. Unless otherwise provided in this Agreement, or unless the context otherwise requires, the following definitions and rules of construction shall apply herein.

C.21.1 NUMBER AND GENDER. In this Agreement, the neuter gender includes the feminine and masculine, and the singular includes the plural, the word "person" includes corporations, partnerships, firms or associations, wherever the context so requires.

C.21.2 MANDATORY AND PERMISSIVE. "Shall" and "will" and "agrees" are mandatory. "May" is permissive.

C.22 TERM INCLUDES EXTENSIONS. All references to the term of this Agreement or the Agreement Term shall include any extensions of such term.

C.23 SUCCESSORS AND ASSIGNS. All representations, covenants and warranties specifically set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

C.24 MODIFICATION. No modification or waiver of any provision of this Agreement or its attachments shall be effective unless such waiver or modification shall be in writing, signed by all parties, and then shall be effective only for the period and on the condition, and for the specific instance for which given.

C.25 COUNTERPARTS. This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

C.26 OTHER DOCUMENTS. The parties agree that they shall cooperate in good faith to accomplish the object of this Agreement and to that end, agree to execute and deliver such other and further instruments and documents as may be necessary and convenient to the fulfillment of these purposes.

C.27 PARTIAL INVALIDITY. If any term, covenant, condition or provision of this Agreement is held by a Court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provision and/or provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

C.28 JURISDICTION. It is agreed by the parties hereto that unless otherwise expressly waived by them, any action brought to enforce any of the provisions hereof or for declaratory relief hereunder shall be filed and remain in a Court of competent jurisdiction in the County of Yuba, State of California.

C.29 CONTROLLING LAW. The validity, interpretation and performance of this Agreement shall be controlled by and construed under the laws of the State of California.

C.30 TIME IS OF THE ESSENCE. Time is of the essence of this Agreement and each covenant and term a condition herein.

C.31 AUTHORITY. All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, estates or firms represented or purported to be represented by such entity(s), person(s), estate(s) or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Further, by entering into this Agreement, neither party hereto shall have breached the terms or conditions of any other contract or agreement to which such party is

obligated, which such breach would have a material effect hereon.

C.32 CONFLICT OF INTEREST. Neither a THREE RIVERS LEVEE IMPROVEMENT AUTHORITY employee whose position in THREE RIVERS LEVEE IMPROVEMENT AUTHORITY enables such employee to influence the award of this Agreement or any competing Agreement, nor a spouse or economic dependent of such employee, shall be employed in any capacity by CONSULTANT herein, or have any other direct or indirect financial interest in this Agreement.

CONSULTANT may be subject to the disclosure requirements of the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY conflict of interest code if in a position to make decisions or influence decisions that could have an effect on the CONSULTANT'S financial interest. The THREE RIVERS LEVEE IMPROVEMENT AUTHORITY Administrator shall determine in writing if CONSULTANT has been hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in the Yuba County Conflict of Interest Code.

C.33 NOTICES. All notices and demands of any kind which either party may require or desire to serve on the other in connection with this Agreement must be served in writing either by personal service or by registered or certified mail, return receipt requested, and shall be deposited in the United States Mail, with postage thereon fully prepaid, and addressed to the party so to be served as follows:

If to "THREE RIVERS LEVEE IMPROVEMENT AUTHORITY":

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
Paul G. Brunner, Executive Director
1114 Yuba Street, Suite 218
Marysville, CA 95901

If to "CONSULTANT":

Sacramento Valley Conservancy
Aimee Rutledge, Executive Director
P.O. Box 163351
Sacramento, CA 95816