

LICENSE AGREEMENT (Santa Paula Materials)

This License Agreement ("Agreement") is made and effective as of January 1, 2023 ("Effective Date") by and between Santa Paula Materials, Inc., a California corporation ("Licensee") and Ventura County Watershed Protection District ("Licensor"). Licensor and Licensee may be referred to individually as a Party or collectively as the "Parties."

The Parties agree as follows:

1. **Property Licensed.** Licensor hereby grants to Licensee a license for and right of entry onto the real property ("Premises") located in the County of Ventura, State of California, described as follows:

Approximately 120,000 square feet of land on a portion of Assessor's Parcel Number 104-0-200-185 and 104-0-200-265 as depicted in Exhibit "A," attached hereto and incorporated herein by this reference. The Licensee shall change the geometry of the Premises when requested by the Licensor to provide sufficient area for performing flood fighting activities such as vegetation clearance and sediment removal when required.

2. **Term.** The term of this Agreement shall be five (5) years ("Term") and commence on January 1, 2023 ("Commencement Date") and terminate on December 31, 2027.

3. **License Fee.** Licensee shall pay to Licensor a license fee in the amount of \$7,560 per month ("License Fee") for the Premises. The License Fee is payable in advance on the first day of each and every calendar month. The License Fee shall not deviate from this amount regardless of any discrepancies between the actual square footage and the Parties' approximated square footage of the Premises.

4. **Lump Sum Settlement for Pre-Agreement Encroachment.** Licensee shall pay to Licensor, upon execution of this Agreement, a one-time nonrefundable payment of \$21,420 to settle all claims regarding Licensee's pre-Agreement encroachment on Licensor's property dating from January 1, 2019, through December 31, 2022. It is the intent of the Parties that this lump sum payment shall settle all claims by and between the Parties regarding said encroachment.

5. **Surety Bond.** Licensee shall provide and maintain throughout the term of the Agreement a surety bond in the amount of \$50,000 ("Surety Bond") for the faithful performance of the Licensee under the terms and conditions of this Agreement. The Surety Bond shall be payable to the Licensor and shall be in a format approved by the Licensor. The Surety Bond shall be returned to the Licensee within 30 days after the end of the Term if Licensee is not in default at the termination of this Agreement.

6. **Proration of License Fee.** If the License Fee due under this Agreement for any calendar month should be for less than a full month, the License Fee due for that month shall be prorated accordingly.

7. **Use.** The Premises shall be used by Licensee for the following specified purpose and shall not be used for any other purpose without first obtaining the written consent of Licensors:

Operation of outdoor storage to store clean natural rock, construction aggregate products, and building materials in accordance with a permit issued by the Watershed Protection District.

8. **Signs and Advertising.** Licensee shall not erect, display, or permit to be erected or displayed on the Premises, any signs or advertising matter of any kind without first obtaining the written consent of the Licensors, which consent shall not be unreasonably withheld.

9. **Alterations by Licensee.** Licensee shall not make any alterations, installations, or improvements to the Premises without prior written approval of Licensors, which consent shall not be unreasonably withheld.

10. **Early Termination/Temporary Suspension.** Licensors shall have the option to terminate or temporarily suspend this Agreement by giving Licensee written notice of a termination or temporary suspension. Upon notice of any early termination or temporary suspension by Licensors and unless otherwise mutually agreed in writing by the Parties hereto, Licensee, at its sole cost and expense, shall remove all of Licensee's rock, construction aggregate products, building materials, improvements, and installations of any kind on the Premises (collectively, "Equipment") within thirty (30) days for normal operations and two (2) days for emergencies. Licensee shall be entitled to a License Fee abatement during any temporary suspension of the Agreement by Licensors.

11. **Condition of Premises Upon Termination.** Unless otherwise mutually agreed in writing by the Parties hereto, prior to or upon the last day of the Term of this Agreement, whether through expiration, termination or cancellation of this Agreement, Licensee shall remove, at its sole cost and expense, all of its Equipment. If Licensee does not remove all of its Equipment as required, Licensors may, remove and sell or dispose of any remaining Equipment. Licensors may also, in order to be made whole, charge Licensee for any costs and expenses incurred in the removal and disposal or sale of any remaining Equipment.

12. **Fire Insurance.** Licensors will not keep the Premises insured against fire, or any other insurance risk and Licensee waives the right to claim damages from Licensors for any damage resulting to the Premises or any structures and improvements located thereon in the event of damage or destruction by fire or any other cause.

13. **Taxes and Assessments.** A taxable possessory interest will be created by this Agreement and Licensee shall be subject to the payment of property taxes levied on such interest.

14. **Insurance By Licensee.** Licensee, at its sole cost and expense, will obtain and maintain in full force during the term of this Agreement the following types of insurance:

General Liability "occurrence" coverage in the minimum amount of \$1,000,000 combined single limit (CSL) bodily injury & property damage each occurrence and \$2,000,000 aggregate, including personal injury, broad form property damage, products/completed operations; and

1) Workers' Compensation coverage, in full compliance with California statutory requirements, for all employees of Licensee and Employer's Liability in the minimum amount of \$1,000,000.

All insurance required will be primary coverage as respects to County and any insurance or self-insurance maintained by County will be excess of Licensee's insurance coverage and will not contribute to it.

County is to be notified immediately if any aggregate insurance limit is exceeded. Additional coverage must be purchased to meet requirements.

The County of Ventura, Its Boards, Agencies, Departments, Districts, Officers, Employees, Agents, and Volunteers are to be named as Additional Insured as respects work done by Licensee under the terms of this Agreement on all policies required (except Workers' Compensation).

Licensee agrees to waive all rights of subrogation against the County of Ventura, Its Boards, Agencies, Departments, Districts, Officers, Employees, Agents and Volunteers for losses arising from work performed by Licensee under the terms of this Licensee as it pertains to Workers' Compensation.

Policies will not be canceled, non-renewed or reduced in scope of coverage until after sixty (60) days written notice has been given to the County of Ventura.

Licensee agrees to provide county with the following insurance documents on or before the effective date of this Agreement:

1) Certificates of Insurance for all required coverage;

2) Additional Insured endorsements; and

3) Waiver of Subrogation endorsements (a.k.a.: Waiver of Transfer Rights of Recovery Against Others, Waiver of Our Right to Recover from Others) as it pertains to Workers' Compensation.

Failure to provide these documents will be grounds for immediate termination or suspension of this Agreement.

15. **Compliance With Law.** Licensee shall not use or permit the use of the Premises for an illegal purpose and shall comply with all federal, state and local laws and ordinances concerning the Premises and Licensee's use thereof.

16. **Discrimination**. Licensee agrees not to discriminate against any person or class of persons by reason of race, sex, color, creed, or national origin in the use of the Premises.

17. **Assignment And Subletting**. Licensee shall not assign this Agreement, or any interest therein, and shall not sublet said Premises or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person (the agents and employees of Licensee excepted) to occupy or use said Premises, or any portion thereof, without the prior written consent of the Director of the Ventura County Watershed Protection District, or another authorized representative of Licensor. Consent to one assignment, subletting, occupation, or use by another person shall not be deemed to be consent to any subsequent assignment, subletting, occupation, or use by another person. This Agreement shall not, nor shall any interest therein, be assignable as to the interest of Licensee, or operation of law, without the prior written consent of the Director of the Ventura County Watershed Protection District, or another authorized representative of Licensor. Any assignment or subletting without such consent shall be void, and shall, at the option of Licensor, terminate this Agreement.

18. **Default or Breach**. Except as otherwise provided in this Agreement, at any time one Party to this Agreement is in default or breach in the performance of any of the terms and conditions of this Agreement, the other Party shall give written notice to remedy such default or breach. If said default or breach is remedied within thirty (30) days following such notice, then this Agreement shall continue in full force and effect. If such default or breach is not remedied within thirty (30) days following such notice, the other Party may, at its option, terminate this Agreement. Such termination shall not be considered a waiver of damages or other remedies available to either Party because of such default or breach. Each term and condition of this Agreement shall be deemed to be both a covenant and a condition.

19. **Waiver**. A waiver by either Party of any default or breach the other Party in the performance of any of the covenants, terms or conditions of this Agreement shall not constitute or be deemed a waiver of any subsequent or other default or breach.

20. **Acquiescence**. No acquiescence, failure, or neglect of any Party hereto to insist on strict performance of any or all of the terms hereof in one instance shall be considered or constitute a waiver of the right to insist upon strict performance of the terms hereof in any subsequent instance.

21. **Parties Bound and Benefited**. The covenants, terms and conditions herein contained shall apply to and bind the heirs, successors, executors, administrators, and assigns of the Parties hereto, and the Parties hereto shall be jointly and severally liable hereunder.

22. **Time**. Time is of the essence of this Agreement.

23. **Hold Harmless**. Licensee hereby agrees to defend, indemnify and hold Licensor, its elected officials, directors, employees, agents, subcontractors, volunteers, successors and assigns from, all third-party claims, costs, expenses and liabilities, including reasonable attorney's fees, arising out of or in any way connected with the use or occupancy of the Premises by Licensee or its guests, patrons, agents, employees, subtenants, contractors, subcontractors, passengers and invitees.

24. **Entire Agreement.** This Agreement contains the entire agreement of the Parties hereto and no obligation other than those set forth herein will be recognized.

25. **Agreement Modification.** This Agreement may only be modified in writing by the mutual written consent of the Parties hereto. Such modification may be executed by the Director of the Ventura County Watershed Protection District, or another authorized representative of the Licensor, to the extent such authority to modify is granted by the Ventura County Board of Supervisors sitting as the Board for Licensor.

26. **Governing Law; Venue.** This License is made and entered into in the state of California and shall, in all respects, be interpreted, governed, and enforced in accordance with the laws of the state of California applicable to contracts entered into and fully performed therein. The venue for any action, suit, arbitration, judicial reference, or other proceeding concerning this Agreement shall be in Ventura County, California.

27. **Multiple Originals; Counterparts.** This Agreement may be executed in counterparts and multiple originals, each of which shall be deemed to be an original. This Agreement shall become effective when the Parties have duly executed and delivered signature pages of this Agreement to each other. Delivery of this Agreement shall be effectuated by electronic communication (including by PDF sent by electronic mail, facsimile, or similar means of electronic communication). Any signatures (including electronic signatures) delivered by electronic communication shall have the same legal effect as physically delivered original signatures.

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

29. **Article Headings.** Article headings in this Agreement are for convenience only and shall not be used in interpreting or construing the terms, covenants, and conditions of this Agreement.

30. **Notices And Payments.** All notices required under this Agreement, including change of address, shall be in writing and all notices and payments shall be made as follows:

A. All payments and notices to Licensee shall be given or mailed to:

Santa Paula Materials, Inc., a California corporation
1224 Santa Clara Street
Santa Paula, CA, 93060

B. All payments and notices to Licensor shall be given or mailed to:

County of Ventura
PWA Real Estate Services
800 South Victoria Avenue #1600
Ventura, CA. 93009

[Remainder of Page Intentionally Blank. Signatures on Following Page]

Licensee

Santa Paula Materials, Inc., a California corporation

Dated: _____

By: _____

Name:

Its:

Dated: _____

By: _____

Name:

Its:

Licensor

Ventura County Watershed Protection District

Dated: _____

By: _____

Glenn Shephard, Director

Exhibit A

