

#### LICENSE AGREEMENT

THIS LICENSE ("License") is made and entered into \_\_\_\_\_\_\_, 2021 ("Commencement Date"), by and between RAYTHEON COMPANY (hereinafter referred to as "LICENSEE") and the ORANGE COUNTY FLOOD CONTROL DISTRICT, a body corporate and politic, hereinafter referred to as "DISTRICT," without regard to number and gender. DISTRICT and LICENSEE may sometimes hereinafter be referred to individually as "Party" or jointly as "Parties."

#### 1. DEFINITIONS (SRLic-1.0 S)

The following words in this License shall have the significance attached to them in this Clause (DEFINITIONS), unless otherwise apparent from context:

"Board of Supervisors" means the Board of Supervisors of the County of Orange, a political subdivision of the State of California, the governing body of the DISTRICT.

"Channel" means a segment of DISTRICT's Brea Creek Channel, Facility No. A02, flood control facility that parallels the south side of Malvern Avenue in cities of Buena Park and Fullerton, California.

"County" means the County of Orange, a political subdivision of the state of California.

"CPP" means a permit(s) in the process of issuance by County or DISTRICT under the County of Orange, County Property Permit process or equivalent, the method to comply with California Public Contract Code Section 22000 et seq., for an action or improvements to be authorized by the County and/or DISTRICT.

"DTSC" means the Department of Toxic Substances Control.

"Director" means the County's Director of OC Public Works, or designee.

"Facilities" shall mean collectively LICENSEE's groundwater extraction wells, monitoring wells (i.e. MW-36 and MW-39 per CPP Nos. 2017-00292 and 2017-00311 respectively), well control stations, well vaults, pole boxes and associated below-grade, double-contained conveyance pipeline, electrical service feeder and other installations to monitor and remediate groundwater contamination. Facilities being those installations and equipment necessary to implement the Corrective Action Consent Agreement dated January 15, 2003, between LICENSEE and DTSC for LICENSEE's former Fullerton operations (EPA ID 063109243).

"LICENSEE's A/E" shall mean an agent or contractor providing architect engineering or other such specialized technical or design services to LICENSEE. LICENSEE is responsible to have LICENSEE's A/E comply with the terms herein, specifically the insurance requirements set forth in Clause 16 (INSURANCE).

"LICENSEE's Remediation Contractor" shall mean an agent or contractor providing remediation services to LICENSEE. LICENSEE is responsible to have LICENSEE's Remediation Contractor comply with the terms herein and specifically the insurance requirements set forth in Clause 16 (INSURANCE).

"Risk Manager" means the Manager of County Executive Office, Risk Management, for the County of Orange, or upon written notice to LICENSEE, such entity as shall be designated by the County Executive Officer.

"Treasurer-Tax Collector" means the Treasurer-Tax Collector, County of Orange, or designee, or upon written notice to LICENSEE, such other person or entity as shall be designated by the Board of Supervisors.

# 2. TERM (SRLic-1.1 S)

This License shall become effective \_\_\_\_\_\_, 2021 and shall continue in effect until \_\_\_\_\_\_, 2040 ("**Term**") or as otherwise terminated in accordance with Clause 3 (TERMINATION) of this License.

Provided LICENSEE is not in and has not been in default under this License, LICENSEE shall have the option to extend the term of this License for two (2) five (5) year period(s) on the same terms and conditions. Notification of said exercise of option shall be done in writing at least one hundred eighty (180) days prior to the License termination date. ("Extension Terms").

## 3. TERMINATION (SRLic-1.2 S)

This License shall be revocable by either DISTRICT or LICENSEE at any time; however, as a courtesy the terminating Party will give one hundred and eighty (180) days written notice to the other Party prior to the termination date.

## 4. LICENSE AREA (SRLic-1.3 S)

DISTRICT grants to LICENSEE a non-exclusive right to use 16,864 square foot area of DISTRICT right-of-way, running approximately 4,216 linear feet along the southerly side of the Channel, from Dale Street in Buena Park, to west of Gilbert Street, in Fullerton, hereinafter the "**License Area**," as depicted on <u>Exhibit A</u>, attached hereto and by reference made a part hereof.

The License Area is accepted "as is" and "where is" by LICENSEE subject to any and all existing easements, encumbrances and physical characteristics. LICENSEE acknowledges that except as specifically herein provided, neither DISTRICT nor any of its employees, agents, or representatives has made any representations, warranties or agreements to or with LICENSEE on behalf of DISTRICT as to any matters concerning the License Area, access to the License Area, the present use thereof, or the suitability of LICENSEE's intended use of the License Area.

### 5. USE (SRLic-1.5 S)

LICENSEE's use of the License Area shall be limited to the installation, operation and maintenance of the Facilities as needed to implement the Corrective Action Consent Agreement dated January 15, 2003, between LICENSEE and DTSC (EPA ID 063109243). LICENSEE's use of the license area shall be solely to implement said corrective measures.

LICENSEE rights granted herein shall include reasonable access to its Facilities along DISTRICT's earthen, gravel road on the south side of the Channel. LICENSEE acknowledges that use of earthen DISTRICT access roads is prohibited during inclement weather, or when DISTRICT's earthen access roads are wet, LICENSEE's access will be limited to pedestrian access only and LICENSEE shall allow such access only if LICENSEE determines the conditions are safe. Nothing in this Clause shall diminish the Director's authority to order closure of the DISTRICT earthen access road when deemed necessary by the Director. LICENSEE access to and/or about the License Area may be restricted by the Director with reasonable discretion because of the occurrence of natural disasters, or other "events" deemed by the Director to be of an emergency nature. In the circumstance that LICENSEE access requires use of a DISTRICT access gate not used by the public, LICENSEE shall be allowed to install a lock on DISTRICT's gate, provided LICENSEE ensures DISTRICT retains its ability to access the Channel. LICENSEE shall immediately lock upon entering or exiting any DISTRICT access gate not used by the public. LICENSEE agrees not to interfere with flood control operations or maintenance of the Channel nor permit any operations or discharges from the Facilities that would have an adverse impact on the flood control operations and/or the environment.

LICENSEE agrees not to use the License Area for any other purpose nor to engage in or permit any other activity within or from the License Area. LICENSEE further agrees not to conduct or permit to be conducted any public or private nuisance in, on, or from the License Area, not to commit or permit to be committed waste on the License Area, and to comply with all applicable governmental laws and regulations in connection with its use of the License Area.

#### 7. LICENSE FEE (SRLic-1.6 S)

LICENSEE agrees to pay DISTRICT, starting on the Commencement Date, the sum of Fourteen thousand four hundred sixty dollars (\$14,460) per year, i.e. One Thousand Two Hundred and Five dollars (\$1,205.00) per month, as a fee for the use of the License Area ("License Fee"). The License Fee shall be increased by Two Hundred Dollars (\$200.00) on an annual basis on each anniversary date of the Commencement Date with the monthly payment being the annual rate divided by twelve rounded to the nearest dollar value. The License Fee in the amount then in effect shall be payable in advance, without prior notice or demand, on January 15 of each calendar year while this License is in effect, without deduction or offset, in lawful money of the United States.

In the event the obligation to pay the License Fee begins or terminates on some day other than the first or last day of the month, the fee shall be prorated to reflect the actual period of use based on a thirty (30) day month. The License Fee for any partial calendar month during which this License becomes effective will be payable on such effective date.

#### **8. SECURITY DEPOSIT** (PMC9.1 N)

LICENSEE shall deliver to Director a security deposit in the amount of Ninety-Seven Thousand Six Hundred Dollars (\$97,600)

The security deposit shall take one of the forms set out below and shall guarantee LICENSEE's full and faithful performance of all the terms, covenants, and conditions of this License:

## A. Cash

- **B.** The assignment to DISTRICT of a savings deposit held in a financial institution in Orange County acceptable to Director. At a minimum, such assignment shall be evidenced by the delivery to Director of the original passbook reflecting said savings deposit and a written assignment of said deposit to the Orange County Flood Control District, in a form approved by Director.
- C. A Time Certificate of Deposit from a financial institution in Orange County wherein the principal sum is made payable to Orange County Flood Control District, or order. Both the financial institution and the form of the certificate must be approved by Director.
- **D.** An instrument or instruments of credit from one or more financial institutions, subject to regulation by the state or federal government, pledging that funds necessary to secure performance of the License terms, covenants, and conditions are on deposit and guaranteed for payment, and agreeing that said funds shall be trust funds securing LICENSEE's performance and that all or any part shall be paid to the Orange County Flood Control District, or order upon demand by Director. Both the financial institution(s) and the form of the instrument(s) must be approved by Director.

Regardless of the form in which LICENSEE elects to make said security deposit, all or a portion of the principal sum shall be available unconditionally to Director, for correcting any default or material breach of this License by LICENSEE or for payment of fees or direct expenses incurred by DISTRICT as a result of the failure of LICENSEE to perform all terms, covenants, and conditions of this License.

LICENSEE further agrees to maintain any savings deposit, Time Certificate of Deposit or instrument or instruments of credit (hereinafter collectively referred to as "Negotiable Instrument") described in subsections B, C and D of this Clause 8, in full force and effect throughout the term of this License or until completion of all terms of this License, including, but not limited to the any removal of LICENSEE Facilities as provided herein below in Clauses 14 and 15, whichever last occurs; and agrees to notify Director, within a reasonable timeframe, of any name or address change, asset transfers, assignments, or other such changes related to the financial institution issuing any such Negotiable Instrument, which changes may have bearing on the Negotiable Instrument.

In the event any Negotiable Instrument should expire, become invalid or for any reason no longer be negotiable by Director, LICENSEE shall within thirty (30) business days of written notice by Director of such event, take whatever actions are necessary to bring the existing Negotiable Instrument to a viable and negotiable status or otherwise replace the form of security deposit to maintain the security deposit in the amount as herein required. Failure to do so shall be deemed a default of this License.

Should LICENSEE elect to assign or provide a Negotiable Instrument to fulfill the security deposit requirements of this License, such assignment or issuance of a Negotiable Instrument, shall have the effect of releasing the depository or creditor therein from liability to LICENSEE on account of the payment of any or all of the principal sum to the Orange County Flood Control District, or order upon demand by Director. The agreement entered into by LICENSEE with a financial institution to establish the deposit necessary to permit assignment or issuance of a Negotiable Instrument as provided above may allow the payment of interest accruing on account of said deposit to LICENSEE, or order.

In the event Director withdraws any or all of the security deposit during the term of this License, as provided herein, LICENSEE shall, within thirty business (30) days of written notice from Director, replenish the security deposit to the amount required to be maintained. Failure to do so shall be deemed a default and shall be grounds for immediate termination of this License.

The security deposit, less any amount due to the DISTRICT as evidenced by detailed accounting, shall be rebated, reassigned, released, or endorsed by Director to LICENSEE or order, as applicable, within thirty (30) business days of the end of the License term, provided LICENSEE has fully and faithfully performed all terms, covenants, and conditions of this License.

#### 9. PAYMENT PROCEDURE (SRLic-1.8 S)

Payments due hereunder to DISTRICT shall be delivered to:

Orange County Treasurer-Tax Collector Revenue Recovery/Accounts Receivable Unit P.O. Box 4005 Santa Ana, California 92702-4005

DISTRICT may change the designated place of payment at any time upon ten (10) calendar days written notice to LICENSEE. License Fee payments shall be made by check payable to the Orange County Flood Control District. LICENSEE assumes all risk of loss if payments are made by mail.

No payment by LICENSEE or receipt by DISTRICT of a lesser amount than the payment due shall be deemed to be other than on account of the payment due, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as payment be deemed an accord and satisfaction, and DISTRICT shall accept such check or payment without prejudice to DISTRICT's right to recover the balance of said payment or pursue any other remedy in this License. Nor shall DISTRICT's acceptance of a lesser amount due or delay in pursuing full payment act as a legal bar against DISTRICT's recovery of any amount due under this License.

All sums due under this License shall be paid in lawful money of the United States of America, without offset or deduction or prior notice or demand.

#### 10. CHARGE FOR LATE PAYMENT (SRLic-1.9 S)

LICENSEE hereby acknowledges that late payment of sums due hereunder will cause DISTRICT to incur costs not contemplated by this License, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, costs such as administrative processing of delinquent notices, increased accounting costs, etc.

Accordingly, if any payment pursuant to this License is not received by DISTRICT by the due date, a late charge of 1.5% of the payment due and unpaid plus one hundred dollars (\$100) shall be added to the payment, and the total sum shall become immediately due and payable to DISTRICT. An additional charge of 1.5% of said payment, excluding late charges, shall be added for each additional month that said payment remains unpaid.

LICENSEE and DISTRICT hereby agree that such late charges represent a fair and reasonable estimate of the costs that DISTRICT will incur by reason of LICENSEE's late payment.

Acceptance of such late charges (and/or any portion of the overdue payment) by DISTRICT shall in no event constitute a waiver of LICENSEE's default with respect to such overdue payment, nor act as a legal bar or otherwise prevent DISTRICT from exercising any of the other rights and remedies granted hereunder.

## 11. CONSTRUCTION AND/OR ALTERATION BY LICENSEE (SRLic-2.1 S)

LICENSEE shall have all construction, including the installation of any systems, facilities or equipment, and/or maintenance plans approved in writing by the Director, through obtaining a CPP with payment of normal processing fees therefor, prior to commencement of any work in, on, over, under, across or about the License Area. Upon completion of any such work, LICENSEE shall immediately notify Director in writing of such completion. All improvements constructed by LICENSEE within the License Area shall be constructed in strict compliance with detailed plans and specifications approved by Director.

Director's approval of LICENSEE's construction and/or maintenance plans shall not be deemed approval from the standpoint of structural safety, suitability for purpose or conformance with building or other codes or other governmental requirements. DISTRICT is not responsible for permitting of any construction and/or maintenance, design, assumptions or accuracy of LICENSEE's construction and/or maintenance plans. Director will rely on the professional expertise of the Engineer of Record when approving LICENSEE's construction and/or maintenance plans.

Should it be necessary for LICENSEE to conduct any construction, inspection or maintenance activities requiring the disturbance of the surface of the License Area or requiring the use of any specialized vehicles or equipment, including but not limited to cranes, within, over, under or about the License Area, LICENSEE agrees to notify Director in writing forty-five (45) business days in advance of such planned activities and obtain Director's written approval of all plans by obtaining a permit through CPP with payment of normal processing fees therefor, prior to commencement of any such activities. Said approval shall not be withheld unreasonably, nor shall said approval be necessary in any emergency situation or in conducting routine maintenance activities which do not involve use of DISTRICT property outside of the License Area. However, LICENSEE shall notify Director within five (5) days following commencement of any emergency repair work, and if so requested by Director, Licensee shall secure a permit through CPP for the purpose of documenting the emergency work.

## 12. MECHANICS LIENS OR STOP-NOTICES (SRLic-2.2 S)

LICENSEE shall at all times indemnify, defend with counsel approved in writing by DISTRICT and save DISTRICT harmless from all claims, losses, demands, damages, costs, expenses, or liability costs for labor or materials in connection with LICENSEE's, its agents, employee's or subcontractor's performance of this Agreement, including construction, repair, alteration, or installation of the Facilities, structures, improvements, equipment, or facilities within the License Area, and from the cost of defending against such claims, including attorney fees and costs.

In the event a lien or stop-notice is imposed upon the License Area as a result of such construction, repair, alteration, or installation, LICENSEE shall either:

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- A. Record a valid Release of Lien, or
- B. Procure and record a bond in accordance with Section 3143 of the Civil Code, which frees the License Area from the claim of the lien or stop-notice and from any action brought to foreclose the lien.

Should LICENSEE fail to accomplish either of the two optional actions above within thirty (30) days after the filing of such a lien or stop-notice, the License shall be in default and shall be subject to immediate termination.

#### 13. DISPOSITION OF LICENSEE'S FACILITIES

Unless otherwise agreed upon in writing from the Director, no later than the expiration or termination of this License, LICENSEE shall at LICENSEE's sole cost and expense, and to Director's satisfaction, remove and/or abandon in place in compliance with local, state and federal law, all of LICENSEE's Facilities located within the License Area. In the event LICENSEE fails to perform its obligations under this Clause, in addition to any other rights or remedies available to DISTRICT, Director, at Director's option after fifteen (15) days written notice to LICENSEE, may cause the removal of any of LICENSEE's Facilities from the License Area, and the cost thereof, including but not limited to the cost of labor, materials, and equipment, and a fifteen percent (15%) administration fee of such costs, shall be paid by LICENSEE within ten (10) days following a receipt of an itemized statement of said costs from Director.

If LICENSEE abandons the License Area or is dispossessed thereof by process of law or otherwise, title to any of the Facilities or personal property belonging to LICENSEE and left on the License Area ten (10) days after such event shall be deemed, at DISTRICT's option, to have been transferred to DISTRICT. Alternatively, the Director after fifteen (15) days written notice to LICENSEE may cause the removal of LICENSEE's Facilities or personal property abandoned upon the License Area. LICENSEE shall be solely responsible for the cost of said removal, including but not limited to, the cost of labor, materials, equipment, any mitigation work required for legal compliance and a fifteen percent (15%) administration fee of such costs. LICENSEE shall be paid by said costs within ten (10) days of receipt of itemized invoice(s) for all such costs. DISTRICT shall have the right to remove and to dispose of such personal property without liability therefor to LICENSEE or to any person claiming under LICENSEE, and shall have no need to account therefor.

#### 14. RELOCATION OF LICENSEE'S FACILITIES

LICENSEE agrees that should any required action undertaken by the DISTRICT in the maintenance, repair, operation, improvement, modification or reconstruction of said Channel flood control facilities require the relocation of LICENSEE's Facilities either on a temporary or permanent basis, LICENSEE shall incur all costs and expenses associated therewith. Except in an emergency situation, Director agrees to provide LICENSEE with a minimum of one hundred eighty (180) days' written notice prior ("**Relocation Notice**") to the commencement of any maintenance, repair, operation, improvement, modification or reconstruction of said Channel flood control facilities that may require the relocation or removal of any of LICENSEE's Equipment.

LICENSEE agrees that in the event Director determines that LICENSEE's Facilities will interfere with the operation, maintenance, replacement, or improvement of DISTRICT's Channel, LICENSEE shall, within ninety (90) days of receipt of the Relocation Notice, and at LICENSEE's sole cost, arrange for the removal of LICENSEE's Facilities and reinstallation of LICENSEE's Facilities within the License Area, if applicable. Under no circumstance shall DISTRICT be obligated to provide a relocation site for LICENSEE's Facilities during such period of interference. DISTRICT shall endeavor to the extent it would not interfere with or unduly burden DISTRICT, which shall be solely determined by DISTRICT, to assist LICENSEE with LICENSEE'S relocation or realignment of LICENSEE's Facilities, at no cost to DISTRICT, on adjoining DISTRICT property. The Director and LICENSEE may amend this License accordingly to reflect a new license area with all other License terms and conditions remaining the same.

## **15. UTILITIES** (LD1.2 S)

In the event use of utilities becomes necessary, LICENSEE shall be responsible for installation of all utilities and shall pay, prior to the delinquency date, all charges for utilities supplied to the License Area.

## 16. INSURANCE (SRLic-2.4 S)

LICENSEE agrees to provide all required insurance at no cost to the DISTRICT, and to deposit with the Director certificates of insurance, including all endorsements required herein, necessary to satisfy the Director that the insurance provisions of this License have been complied with and to keep such insurance coverage and the certificates and endorsements therefore on deposit with the Director during the entire term of this License.

LICENSEE agrees that LICENSEE shall not operate on the License Area at any time the required insurance is not in full force and effect as evidenced by a certificate of insurance and necessary endorsements or, in the interim, an official binder being in the possession of Director. Prior to the performance of any work within the License Area by a contractor or subcontractor of LICENSEE, LICENSEE shall have that contractor or subcontractor performing any portion of the work to comply with the insurance requirements specified in this Section. LICENSEE shall, in its contract with a contractor, have that contractor require its subcontractors to comply with the insurance requirements herein. In no cases shall assurances by LICENSEE, its employees, contractors, agents, including any insurance agent, be construed as adequate evidence of insurance. The DISTRICT will only accept valid certificates of insurance and endorsements, or in the interim, an insurance binder as adequate evidence of insurance. LICENSEE also agrees that upon cancellation, termination, or expiration of LICENSEE's insurance, DISTRICT may take whatever steps are necessary to interrupt any operation from or on the License Area until such time as the Director reinstates the License.

If LICENSEE fails to provide the DISTRICT with a valid certificate of insurance and endorsements, or binder at any time during the term of the License, DISTRICT and LICENSEE agree that this shall constitute a material breach of the License. Whether or not a notice of default has or has not been sent to LICENSEE, said material breach shall permit DISTRICT to take whatever steps necessary to interrupt any operation from or on the License Area, and to prevent any persons, including, but not limited to, members of the general public, and LICENSEE's employees and agents, from entering the License Area until such time as the Director is provided with adequate evidence of insurance required herein. LICENSEE further agrees to hold DISTRICT harmless for any damages resulting from such interruption of business and possession, including, but not limited to, damages resulting from any loss of income or business resulting from the DISTRICT's action.

LICENSEE may occupy the License Area only upon providing to DISTRICT the required insurance stated herein and maintain such insurance for the entire term of this LICENSE. DISTRICT reserves the right to terminate this LICENSE at any time LICENSEE's insurance is canceled or terminated and not reinstated within ten (10) days of said cancellation or termination. LICENSSEE shall pay DISTRICT a fee of two hundred dollars (\$200.00) for processing the reinstatement of the LICENSE. LICENSEE shall provide to DISTRICT immediate notice of said insurance cancellation or termination.

All contractors performing work on behalf of LICENSEE pursuant to this License shall obtain insurance subject to the same terms and conditions as set forth herein for LICENSEE and insurance policies and limits as indicated. LICENSEE shall not allow contractors or subcontractors to work if contractors have less than the level of coverage required by the DISTRICT under this License. It is the obligation of the LICENSEE to provide written notice of the insurance requirements to every contractor and to receive proof of insurance prior to allowing any contractor to begin work within the License Area. Such proof of insurance must be maintained by LICENSEE through the entirety of this License and be available for inspection by a DISTRICT representative at any reasonable time.

All self-insured retentions (SIRs) shall be clearly stated on the Certificate of Insurance. Any self-insured retention (SIR) in an amount in excess of Fifty Thousand Dollars (\$50,000) shall specifically be approved by the Risk Manager, or designee, upon review of LICENSEE's current audited financial report. If LICENSEE's SIR is approved, LICENSEE, in addition to, and without limitation of, any other indemnity provision(s) in this License, agrees to all of the following:

- 1) In addition to the duty to indemnify and hold the DISTRICT and County harmless against any and all liability, claim, demand or suit resulting from LICENSEE's, its agents, employee's or subcontractor's performance of this Agreement, LICENSEE shall defend the DISTRICT and County at its sole cost and expense with counsel approved by Board of Supervisors against same; and
- 2) LICENSEE's duty to defend, as stated above, shall be absolute and irrespective of any duty to indemnify or hold harmless; and
- 3) The provisions of California Civil Code Section 2860 shall apply to any and all actions to which the duty to defend stated above applies, and the LICENSEE's SIR provision shall be interpreted as though the LICENSEE was an insurer and the DISTRICT and/or County were the insured.

If the LICENSEE fails to maintain insurance in accordance with this License Agreement the DISTRICT for the full term of this License, the DISTRICT may terminate this License.

#### **Qualified Insurer**

The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com).** It is preferred, but not mandatory, that the insurer be licensed to do business in the state of California (California Admitted Carrier).

If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

The policy or policies of insurance maintained by the LICENSEE shall provide the minimum limits and coverage as set forth below:

LICENSEE	
Coverages	Minimum Limits
Commercial General Liability	\$1,000,000 per occurrence
	\$2,000,000 aggregate
Automobile Liability including coverage	\$1,000,000 per occurrence
for owned, non-owned and hired vehicles	
Worker's Compensation	Statutory
Employers Liability Insurance	\$1,000,000 per occurrence
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The policy or policies of insurance maintained by LICENSEE's A/E shall provide minimum limits and coverage as set forth below:

LICENSEE'S A/E				
Coverages	Minimum Limits			
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate			
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 per occurrence			
Worker's Compensation	Statutory			
Employers Liability Insurance	\$1,000,000 per occurrence			
Professional Liability Insurance	\$5,000,000 per claims-made or per occurrence \$5,000,000 aggregate			

The policy or policies of insurance maintained by LICENSEE's Remediation Contractor shall provide the minimum limits and coverage as set forth below:

LICENSEE'S REMEDIATION CONTRACTOR			
Coverages	Minimum Limits		
Commercial General Liability	\$3,000,000 per occurrence		
	\$3,000,000 aggregate		
Automobile Liability including coverage	\$1,000,000 per occurrence		
for owned, non-owned and hired vehicles			
Worker's Compensation	Statutory		
Employers Liability Insurance	\$1,000,000 per occurrence		
Environmental/Pollution Liability Including	\$10,000,000 per claims-made or per occurrence		
NODS	\$10,000,000 aggregate		

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### **Required Coverage Forms**

The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 00 12, CA 00 20, or a substitute form providing liability coverage at least as broad.

#### **Required Endorsements**

The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of insurance:

- 1) An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the *Orange County Flood Control District and/or the County of Orange, their respective elected and appointed officials, officers, employees, agents as Additional Insureds.* Blanket coverage may also be provided which will state- *As Required By Written Agreement*.
- 2) A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at least as broad, evidencing that the LICENSEE's insurance is primary and any insurance or self-insurance maintained by the Orange County Flood Control District and/or County of Orange shall be excess and non-contributing.

The Contractor's Pollution Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance:

- 1) An Additional Insured endorsement naming the Orange County Flood Control District and/or County of Orange, their respective elected and appointed officials, officers, employees and agents as Additional Insureds.
- 2) A primary non-contributing endorsement evidencing that LICENSEE's insurance is primary and any insurance or self-insurance maintained by the Orange County Flood Control District and/or the County of Orange shall be excess and non-contributing.

The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the *Orange County Flood Control District and/or the County of Orange, its elected and appointed officials, officers, agents and employees*. Blanket coverage may also be provided which will state- *As Required By Written Agreement*.

A Waiver of Subrogation is granted in favor of the Orange County Flood Control District and/or County of Orange, its elected and appointed officials, officers, agents and employees when acting within the scope of their appointment or employment and to the extent they are additional insureds under the insurance policies required by this License Agreement or where agreed to by written contract entered into by the Licensee and the District and only to the extent required thereby.

LICENSEE shall notify DISTRICT in writing within thirty (30) days of any policy cancellation and ten (10) days for non-payment of premium and provide a copy of the cancellation notice to DISTRICT. Failure to provide written notice of cancellation may constitute a material breach of the LICENSE, upon which the DISTRICT may suspend or terminate this LICENSE.

The Commercial General Liability policy shall contain a severability of interests clause, also known as a "separation of insureds" clause (standard in the ISO CG 001 policy).

For each claims-made policy providing environmental/pollution liability or professional liability coverage, the policy holder(s) shall agree to maintain said coverage for five (5) years following commencement of the related operations.

Insurance certificates should be forwarded to the DISTRICT address provided in the Clause (NOTICES) below or to an address provided by the Director. LICENSEE has ten (10) business days to provide adequate evidence of insurance or this License may be cancelled.

DISTRICT expressly retains the right to require LICENSEE to increase or decrease insurance of any of the above insurance types throughout the term of this License. Any increase or decrease in insurance will be as deemed by Risk Manager as appropriate to adequately protect DISTRICT.

DISTRICT shall notify LICENSEE in writing of changes in the insurance requirements. If LICENSEE does not deposit copies of acceptable certificates of insurance and endorsements with DISTRICT incorporating such changes within thirty (30) days of receipt of such notice, this License may be in breach without further notice to LICENSEE, and DISTRICT shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit LICENSEE's liability hereunder nor to fulfill the indemnification provisions and requirements of this License, nor in any way to reduce the policy coverage and limits available from the insurer.

## 17. OPERATIONS (SRLic-2.5 S)

LICENSEE shall, to the satisfaction of DISTRICT, keep and maintain the License Area and all improvements of any kind in good condition and in substantial repair, normal wear and tear excepted. It shall be LICENSEE's responsibility to take all steps necessary or appropriate to maintain such standard of condition and repair.

LICENSEE expressly agrees to maintain the License Area in a safe, clean, wholesome, and sanitary condition, to the complete satisfaction of DISTRICT and in compliance with all applicable laws. LICENSEE further agrees to provide approved containers for trash and garbage and to keep the License Area free and clear of rubbish, litter and graffiti. DISTRICT shall have the right to enter upon and inspect the License Area at any time to verify conformity with any terms and conditions of this License including cleanliness and safety. LICENSEE shall designate in writing to DISTRICT a LICENSEE representative who shall be responsible for operations and the level of maintenance, cleanliness, and general order.

As part of LICENSEE's obligation to keep the Facilities free of graffiti, LICENSEE shall regularly inspect the Facilities for graffiti and shall remove all graffiti from the Facilities within two (2) working days of inspection or notification of the graffiti. LICENSEE shall identify a contact person responsible for graffiti removal and shall keep OC Public Works'/Operations & Maintenance informed of LICENSEE's contact person and access requirements for this operation by calling 714-955-0200. LICENSEE shall perform any graffiti removal work in compliance with the requirements of Clause 19 herein to prevent all materials, including paint or chemicals used in graffiti removal and any debris associated with the proposed operation and maintenance, from entering into the Channel and/or DISTRICT maintained areas.

If LICENSEE fails to maintain or make repairs or replacements as required herein, DISTRICT may notify LICENSEE in writing of said failure. Should LICENSEE fail to correct the situation within three (3) business days thereafter, DISTRICT may make or cause to be made the necessary

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correction, and the cost thereof, including, but not limited to, the cost of labor, materials, and equipment and an administrative fee equal to fifteen percent (15%) of the sum of such items, shall be paid by LICENSEE within ten (10) days of receipt of a statement of said cost from DISTRICT. DISTRICT may, at DISTRICT's option, choose other remedies available herein, or by law.

The License Area must be returned to its original condition and the LICENSEE is solely responsible for any damages.

#### 18. HAZARDOUS MATERIALS (SRLic-2.6 S)

- A. Nothing in this License is intended, nor shall anything in this License be construed to relieve LICENSEE, or its successors or assigns in interest, of any responsibility or liability LICENSEE, or its successors or assigns, comes to have with respect to human health or the environment, including, but not limited to, responsibility or liability relating to existing groundwater contamination which LICENSEE is mitigating pursuant to that Corrective Action Consent Agreement dated January 15, 2003, between LICENSEE and DTSC (EPA ID 063109243), or Hazardous Materials (as such terms are defined by statute, ordinance, case law, governmental regulation, or other provision of the law) which come to be located upon, within, or under the Channel as a result of LICENSEE's operations. Furthermore, DISTRICT may exercise its right under law to bring action, if necessary, to recover clean-up costs and penalties paid, if any, from LICENSEE, or its successors, or assigns in interest, who are ultimately determined by a court of competent jurisdiction and/or a federal, state, or local regulatory or administrative governmental agency or body having jurisdiction, to have responsibility for said Hazardous Materials upon, within, or under the Channel or within the License Area.
- B. <u>Definition of Hazardous Materials</u>. For purposes of this License, the term "**Hazardous Material**" or "**Hazardous Materials**" shall mean any hazardous or toxic substance, material, product, byproduct, or waste, which is or shall become regulated by any governmental entity, including, without limitation, the DISTRICT acting in its governmental capacity, the State of California or the United States government.
- C. <u>Use of Hazardous Materials</u>. Licensee or Licensee's employees, agents, independent contractors or invitees (collectively "LICENSEE Parties") shall not cause or knowingly permit any Hazardous Materials to be brought upon, disturbed, stored, kept, used, generated, released into the environment or disposed of on, under, from or about the License Area (which for purposes of this Clause shall include the subsurface soil and ground water). Notwithstanding the foregoing, LICENSEE may keep on or about the License Area small quantities of Hazardous Materials which are customarily used in connection with any permitted use of the License Area under this License (which Hazardous Materials shall be used and disposed of in compliance with all applicable Laws). The foregoing notwithstanding, DISTRICT acknowledges LICENSEE's Facilities and operations are for the purpose of remediating groundwater contamination pursuant the Corrective Action Consent Agreement dated January 15, 2003, between LICENSEE and DTSC (EPA ID 063109243). DISTRICT agrees this Clause shall not limit LICENSEE's Facilities and operations performed in strict compliance with that DTSC agreement and the plans and specifications DISTRICT found acceptable through a CPP.
- D. <u>LICENSEE Obligations</u>. If the presence of any Hazardous Materials on, under or about the License Area caused or permitted by LICENSEE or LICENSEE Parties results in (i) injury to any person, (ii) injury to or contamination of the License Area (or a portion thereof), or (iii) injury to or contamination of any adjacent real or personal property, LICENSEE, at its sole cost and expense, shall promptly take all actions necessary or appropriate to return the License Area to the condition existing prior to the introduction of such Hazardous Materials to the License Area and to remedy or repair any such injury or contamination. Without limiting any other rights or remedies of DISTRICT under this License, LICENSEE shall pay the cost of any cleanup or remedial work performed on, under, or about the License Area as required by this License or by applicable laws in connection with the removal, disposal, neutralization or other treatment of such Hazardous Materials caused or permitted by LICENSEE or LICENSEE Parties. Notwithstanding the foregoing, LICENSEE shall not take any remedial action in response to the presence, discharge or release, of any Hazardous Materials on, under or about the License Area caused or permitted by LICENSEE or LICENSEE Parties, or enter into any settlement agreement, consent decree or other compromise with any governmental or quasi-governmental entity without first obtaining the prior written consent of the Director. All work performed or caused to be performed by LICENSEE as provided for above shall be done in good and workmanlike manner and in compliance with plans, specifications, and other requirements for such work reasonably approved or found acceptable by DISTRICT.

## 19. BEST MANAGEMENT PRACTICES (SRLic-2.7 S)

LICENSEE and all of its agents, employees and contractors shall conduct operations under this License so as to assure that pollutants do not enter municipal storm drain systems which systems are comprised of, but are not limited to curbs and gutters that are part of the street systems ("Stormwater Drainage System"), and to ensure that pollutants do not directly impact "Receiving Waters" (as used herein, Receiving Waters include, but are not limited to, rivers, creeks, streams, estuaries, lakes, harbors, bays and oceans).

The Santa Ana and San Diego Regional Water Quality Control Boards have issued National Pollutant Discharge Elimination System permits ("Stormwater Permits") to the County of Orange, and to the Orange County Flood Control District and cities within Orange County, as copermittees (hereinafter collectively referred to as "DISTRICT Parties") which regulate the discharge of urban runoff from areas within the County of Orange, including the License Areas and under this License. The DISTRICT Parties have enacted water quality ordinances that prohibit conditions and activities that may result in polluted runoff being discharged into the Stormwater Drainage System.

To assure compliance with the Stormwater Permits and water quality ordinances, the DISTRICT Parties have developed a Drainage Area Management Plan ("DAMP") which includes a Local Implementation Plan ("LIP") for each jurisdiction that contains Best Management Practices ("BMPs") that parties using properties within Orange County must adhere to. As used herein, a BMP is defined as a technique, measure, or structural control that is used for a given set of conditions to manage the quantity and improve the quality of storm water runoff in a cost effective manner. These BMPs are found within the DISTRICT's LIP in the form of Model Maintenance Procedures and BMP Fact Sheets (the Model Maintenance Procedures and BMP Fact Sheets contained in the DAMP/LIP shall be referred to hereinafter collectively as "BMP Fact Sheets") and contain pollution prevention and source control techniques to eliminate non-storm water discharges and minimize the impact of pollutants on stormwater runoff.

LICENSEE shall review and assure that all contractors working on License Area review the applicable Model Maintenance Procedures contained in the DAMP/LIP and BMP Fact Sheets. Activities performed on the License Area under this License shall conform to the requirements of the Stormwater Permits, the DAMP/LIP, BMP Fact Sheets and the Model Maintenance Procedures, as they exist at the time this License commences and as each may be modified throughout the term of this License. The BMP's applicable to uses authorized under this License must be performed as described within all applicable Model Maintenance Procedures and/or BMP Fact Sheets. LICENSEE shall fully understand the Model Maintenance Procedures and any related BMP Fact Sheets applicable to operations conducted on the License Area prior to conducting them.

LICENSEE and/or its contractors may propose alternative BMPs that meet or exceed the pollution prevention performance of the BMP Fact Sheets. Any such alternative BMPs shall be submitted to the Director of OC Public Works for review and approval prior to implementation.

The Director or authorized representative may enter the License Area and/or review LICENSEE's records at any time to assure that activities conducted on the License Area comply with the requirements of this Clause (BEST MANAGEMENT PRACTICES). LICENSEE may be required to implement a self-evaluation program to demonstrate compliance with the requirements of this Clause (BEST MANAGEMENT PRACTICES).

### 20. TERMINATION OF PRIOR AGREEMENTS (SRLic-2.9 S)

It is mutually agreed that this License shall terminate and supersede any prior agreements between the Parties hereto covering all or any portion of the License Area. Notwithstanding the foregoing, this provision shall not release LICENSEE from any obligations under any prior agreements to be performed through the Commencement Date of this License or from any obligations of indemnification based upon events occurring prior to the effective date of this License. Specifically, this License shall replace the two CPPs attached hereto as Exhibit B, so that MW-36 and MW-39 are hereby incorporated by reference into this License and LICENSEE shall no longer need to renew CPPs for its operation of MW-36 and MW-39 monitoring wells installed on the subject License Area.

#### 21. LIMITATION OF THE LICENSE (SRLic-3.0 S)

This License and the rights and privileges granted LICENSEE in and to the License Area are subject to all covenants, conditions, restrictions, and exceptions of record or apparent from a physical inspection of the License Area. Nothing contained in this License or in any document related hereto shall be construed to imply the conveyance to LICENSEE of rights in the License Area which exceed those owned by DISTRICT.

### 22. PERMITS AND LICENSES (SRLic-3.1 S)

LICENSEE shall be required to obtain and maintain throughout the Term of this License any and all permits and/or licenses which may be required in connection with the operation of the License Area as set out herein. No permit, approval, or consent given hereunder by DISTRICT, in its governmental capacity, shall affect or limit LICENSEE's obligations hereunder, nor shall any approvals or consents given by DISTRICT, as a Party to this License, be deemed approval as to compliance or conformance with applicable governmental codes, laws, rules, or regulations.

### 23. SIGNS (SRLic-3.2 S)

LICENSEE agrees not to construct, maintain, or allow any signs, banners, flags, etc., upon License Area except as approved by the Director. Unapproved signs, banners, flags, etc., may be removed.

### 24. LICENSE ORGANIZATION (SRLic-3.3 S)

The various headings and numbers herein, the grouping of provisions of this License into separate clauses and paragraphs, and the organization hereof, are for the purpose of convenience only and shall not be considered otherwise.

### 25. AMENDMENTS (SRLic-3.4 S)

This License is the sole and only agreement between the Parties regarding the subject matter hereof; other agreements, either oral or written, are void. Any changes to this License shall be in writing and shall be properly executed by both Parties.

# 26. UNLAWFUL USE (SRLic-3.5 S)

LICENSEE agrees no improvements shall be erected, placed upon, operated, nor maintained on the License Area, nor any business conducted or carried on therein or therefrom, in violation of the terms of this License, or of any regulation, order of law, statute, bylaw, or ordinance of a governmental agency having jurisdiction.

Further, all uses of the License Area by LICENSEE shall be conducted in accordance with all applicable law, ordinance, or regulation, including but not limited to any "Environmental Laws." "Environmental Laws" means any federal, state or local statute, ordinance, rule, regulation, order, consent decree, judgment or common-law doctrine, and provisions and conditions of permits, licenses and other operating authorizations relating to (A) pollution or protection of the environment, including natural resources, (B) exposure of persons, including employees, to Hazardous Materials or other products, raw materials, chemicals or other substances, (C) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of chemical substances from industrial or commercial activities, or (D) regulation of the manufacture, use or introduction into commerce of chemical substances, including, without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal.

## 27. INSPECTION (SRLic-3.6 S)

DISTRICT or its authorized representative shall have the right at all reasonable times to inspect the operation to determine if the provisions of this License are being complied with.

## 28. INDEMNIFICATION (SRLic-3.7 N)

LICENSEE acknowledges the License Area is adjacent to DISTRICT's Channel and may be subject to all hazards associated with flood conditions. LICENSEE agrees to assume all risks, financial or otherwise, associated therewith.

LICENSEE hereby waives all claims and recourse against DISTRICT and County including the right of contribution for loss or damage of persons or property arising from, growing out of, or in any way connected with or related to this License, including any damage to or interruption of use of the Facilities or any LICENSEE's Facilities placed in, on, or about the License Area caused by erosion, flood, or flood overflow conditions of the Channel, or caused by the operation, maintenance, repair, reconstruction, replacement, enlargement or improvement of the Channel, or caused by DISTRICT's flood control operations except claims arising from the concurrent active or sole negligence of DISTRICT and/or County, their respective officers, agents, contractors and employees (collectively "DISTRICT Indemnitees").

Licensee shall indemnify and defend (including reasonable attorney's fees) the DISTRICT and the County from and against claims brought by any party, and shall indemnify and hold harmless to the fullest extent permitted by law the DISTRICT and the County from and against any and all losses, that arise out of or are attributable to (i) Licensee's gross negligence or willful misconduct in exercising or performing any of its rights or obligations under this License; or (ii) a material breach by Licensee or of any of its obligations, representations, warranties or covenants under this License; provided, however, that Licensee shall not be obligated to indemnify DISTRICT or the County to the extent such claim arose solely out of the gross negligence or willful misconduct of the DISTRICT or the County. DISTRICT shall provide Licensee with prompt written notice of any

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claim for which indemnification is sought and cooperate in the defense of said claims during litigation. DISTRICT shall have the right, to participate in the defense of any such claim.

LICENSEE hereby agrees to indemnify, hold harmless, and defend, with counsel acceptable to DISTRICT, County and DISTRICT Indemnitees from demands, damages, cost, expenses, or liability costs arising out of the operation, use, or maintenance of the property described herein, and/or LICENSEE's exercise of the rights under this License, except for liability arising out of the concurrent active or sole negligence of DISTRICT, County and/or DISTRICT Indemnitees, including the cost of defense of any lawsuit arising therefrom.

In the event DISTRICT is named as co-defendant, LICENSEE shall notify DISTRICT of such fact and shall represent DISTRICT with counsel acceptable to DISTRICT in such legal action unless DISTRICT undertakes to represent itself as co-defendant in such legal action, in which event LICENSEE shall pay to DISTRICT its reasonable litigation costs, expenses, and attorney's fees. In the event judgment is entered against DISTRICT and LICENSEE because of the concurrent active negligence of DISTRICT and LICENSEE, their officers, agents, or employees, an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Neither Party shall request a jury apportionment.

#### 29. TAXES AND ASSESSMENTS (SRLic-3.8 S)

Should this License create a possessory interest which is subject to the payment of taxes levied on such interest, it is understood and agreed that all taxes and assessments (including but not limited to said possessory interest tax) which become due and payable in connection with this License or upon fixtures, equipment, or other property used in connection with this License, shall be the full responsibility of LICENSEE, and LICENSEE shall cause said taxes and assessments to be paid promptly.

#### 30. PARTIAL INVALIDITY (SRLic-3.9 S)

If any term, covenant, condition, or provision of this License is held 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.

#### 31. WAIVER OF RIGHTS (SRLic-4.0 S)

The failure of DISTRICT to insist upon strict performance of any of the terms, covenants, or conditions of this License shall not be deemed a waiver of any right or remedy that DISTRICT may have, and shall not be deemed a waiver of the right or act as a legal bar to require strict performance of all the terms, covenants, and conditions of the License thereafter, nor a waiver of any remedy for the subsequent breach or default of any term, covenant, or condition of the License. Any waiver, in order to be effective, must be signed by the party whose right or remedy is being waived.

### 32. CONDITION OF LICENSE AREA UPON TERMINATION (SRLic-4.1 S)

Except as otherwise agreed to herein, upon termination of this License, LICENSEE shall redeliver possession of said License Area to DISTRICT in substantially the same condition that existed immediately prior to LICENSEE's entry thereon, reasonable wear and tear, flood, earthquakes, war, and any act of war excepted.

# 33. TIME OF ESSENCE (SRLic-4.3 S)

Time is of the essence of this License Agreement. Failure to comply with any time requirements of this License shall constitute a material breach of this License.

## 34. NO ASSIGNMENT, SUBAGREEMENTS (SRLic-4.4 S)

The License granted hereby is personal to LICENSEE and any assignment of said license by LICENSEE, voluntarily or by operation of law, shall automatically terminate the License granted hereby. Sublicenses or subleases are not authorized under this License and any attempt by LICENSEE to create any such sublicense or sublease shall be null and void and shall automatically terminate the License.

## 35. LABOR CODE COMPLIANCE (SRLic-4.5 S)

LICENSEE acknowledges and agrees that all improvements or modifications it performed upon the License Area prior to the Commencement Date of the term of this License and/or any future improvements or modifications performed by LICENSEE or on its behalf, shall be governed by, and performed in accordance with, the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the Labor Code of the State of California (Sections 1770, et seq.), as applicable. These provisions may be applicable to improvements or modifications costing more than \$1,000, unless an exception applies, including but not limited to the exception to the definition of public works under § 1720.2.

Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, LICENSEE shall comply with the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in the locality applicable to this License for each craft, classification, or type of workman needed to execute the aforesaid improvements or modifications. The rates are available at the following website: <a href="http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm">http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm</a> from the Director of the State Department of Industrial Relations. LICENSEE shall post a copy of such wage rates at the job site and shall pay the adopted prevailing wage rates at all times for all improvements or modifications to be completed for DISTRICT within the License Area. LICENSEE shall comply with the provisions of Sections 1775 and 1813 of the Labor Code.

As required by applicable law, LICENSEE shall maintain certified payroll records for all workers assigned to the improvements or modifications. Said payroll records shall contain, but not be limited to, the complete name, address, telephone number, social security number, job classification, and prevailing wage rate for each worker. Upon request LICENSEE shall provide the DISTRICT updated certified payroll records for all workers that shall include, but not be limited to, the weekly hours worked, prevailing hourly wage rates, and total wages paid.

If LICENSEE neglects, fails, or refuses to provide said payroll records to the DISTRICT, upon request, such occurrence shall constitute an event of default of this License and DISTRICT may, notwithstanding any other termination provisions contained herein terminate this License upon written notice to LICENSEE.

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#### 36. RIGHT TO WORK AND MINIMUM WAGE LAWS (SRLic-4.6 S)

In accordance with the United States Immigration Reform and Control Act of 1986, LICENSEE shall require its employees that directly or indirectly service the License Area or terms and conditions of this License, in any manner whatsoever, to verify their identity and eligibility for employment in the United States. LICENSEE shall also require and verify that its contractors or any other persons servicing the License Area or terms and conditions of this License, in any manner whatsoever, verify the identity of their employees and their eligibility for employment in the United States.

Pursuant to the United States of America Fair Labor Standard Act of 1938, as amended, and State of California Labor Code, Section 1178.5, LICENSEE shall pay no less than the greater of the Federal or California Minimum Wage to all its employees that directly or indirectly service the License Area, in any manner whatsoever. LICENSEE shall require and verify that all its contractors or other persons servicing the License Area on behalf of the LICENSEE also pay their employees no less than the greater of the Federal or California Minimum Wage.

LICENSEE shall comply and verify that its contractors comply with all other Federal and State of California laws for minimum wage, overtime pay, record keeping, and child labor standards pursuant to the servicing of the License Area or terms and conditions of this License.

Notwithstanding the minimum wage requirements provided for in this clause, LICENSEE, where applicable, shall comply with the prevailing wage and related requirements pursuant to the provisions of Section 1773 of the Labor Code of the State of California.

### 37. PUBLIC RECORDS (SRLic-4.7 S)

Any and all written information submitted to and/or obtained by DISTRICT from LICENSEE or any other person or entity having to do with or related to this License and/or the Premises, either pursuant to this License or otherwise, at the option of DISTRICT, may be treated as a public record open to inspection by the public pursuant to the California Records Act (Government Code Section 6250, et seq.) as now in force or hereafter amended, or any Act in substitution thereof, or otherwise made available to the public and LICENSEE hereby waives, for itself, its agents, employees, subtenants, and any person claiming by, through or under LICENSEE, any right or claim that any such information is not a public record or that the same is a trade secret or confidential information and hereby agrees to indemnify and hold DISTRICT harmless from any and all claims, demands, liabilities, and/or obligations arising out of or resulting from a claim by LICENSEE or any third party that such information is a trade secret, or confidential, or not subject to inspection by the public, including without limitation reasonable attorneys' fees and costs.

### 38. RELATIONSHIP OF PARTIES (SRLic-4.8 S)

The relationship of the parties hereto is that of DISTRICT and LICENSEE, and it is expressly understood and agreed that DISTRICT does not in any way or for any purpose become a partner of or a joint venture with LICENSEE in the conduct of LICENSEE's business or otherwise, and the provisions of this License and the agreements relating to rent payable hereunder are included solely for the purpose of providing a method by which rental payments are to be measured and ascertained.

#### 39. GOVERNING LAW AND VENUE (SRLic-4.9 S)

This agreement has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394.

## **40.** ATTORNEY FEES (SRLic-5.0 S)

In the event of a dispute between DISTRICT and LICENSEE concerning claims arising out of this License, or in any action or proceeding brought to enforce or interpret any provision of this License or where any provision hereof is validly asserted as a defense, each Party shall bear its own attorney fees and costs.

# 41. RESERVATIONS TO DISTRICT (SRLic-5.1 S)

Without limiting DISTRICT'S rights with respect to the License Area, DISTRICT reserves for itself and its successors and assigns those rights necessary to assure proper maintenance and operation of the Channel flood control facilities and to permit any steps to be taken which the Director deems necessary or desirable to maintain, repair, improve, modify or reconstruct said facilities or such operations. The rights reserved to DISTRICT in this clause or any other section of this License shall be exercised by the Director at the Director's sole discretion. Neither DISTRICT nor any agent, employee, contractor, operator or any other person or entity acting for or on behalf of DISTRICT shall incur any liability, including, but not limited to, loss of business, damage, destruction or relocation costs of LICENSEE's Facilities or impaired utility of the License Area for any action undertaken in the maintenance, repair, operation, improvement, modification or reconstruction of said flood control facilities.

DISTRICT further reserves the right to install, lay, construct, maintain, repair, and operate such sanitary sewers, drains, storm water sewers, pipelines, manholes, and connections; water, oil, and gas pipelines; telephone and telegraph power lines; and the appliances and appurtenances necessary or convenient in connection therewith, in, over, upon, through, across, under, and along the License Area or any part thereof, and to enter the License Area for any and all such purposes. DISTRICT also reserves the right to grant franchises, easements, rights of way, and permits in, over, upon, through, across, under, and along any and all portions of the License Area. No right reserved by DISTRICT in this clause shall be so exercised as to interfere unreasonably with LICENSEE's use hereunder.

DISTRICT agrees that rights granted to their parties by reason of this Clause 41 shall contain provisions that the surface of the land shall be restored as nearly as practicable to its original condition upon the completion of any construction. DISTRICT further agrees that should the exercise of these rights temporarily interfere with the use of any or all of the License Area by LICENSEE, any License Fee shall be reduced in proportion to the interference with LICENSEE's use of the License Area.

# 42. NOTICES (SRLic-5.3 S)

All written notices pursuant to this License shall be addressed as set forth below or as either Party may hereafter designate by written notice and shall be deemed delivered upon personal delivery, delivery by facsimile machine, electronic mail, or seventy-two (72) hours after deposit in the United States Mail.

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Brea Creek Channel
Project Number: A02-303.11, 401.8, 402.4, 403, 501.1 & 501.2

TO: DISTRICT

Orange County Flood Control District Attn: Director, OC Public Works RE: Brea Creek Raytheon License P.O. Box 4048

Santa Ana, CA 92702

TO: LICENSEE

Raytheon Company 870 Winter Street Waltham, MA 02451

Attn: Legal/Real Estate Department

#### 43. RECORDING PROHIBITED

This License may not be recorded.

#### **44. AUTHORITY** (PMES20.1S)

The Parties to this License represent and warrant that this License has been duly authorized and executed and constitutes the legally binding obligation of their respective organization or entity, enforceable in accordance with its terms.

### 45. SURVIVAL OF TERMS, COVENANTS, AND CONDITIONS

The terms, covenants, and conditions set forth in Section 13 (Disposition of Licensee's Facilities, Section 18 (Hazardous Materials), and Section 28 (Indemnification) shall survive the termination of this License.

46. This License may be executed in one or more counterparts, all of which together shall constitute the same agreement. The Parties agree that this License shall be considered signed at the time it is approved by the Board of Supervisors. As soon as reasonably practicable after the Board of Supervisors approves this License, a copy of the last page of this License bearing the signature of DISTRICT will be delivered to the other Party in portable document format (PDF) form by e-mail transmission or facsimile. Such Party signature in PDF form delivered by e-mail transmission or facsimile shall be treated in all respects as having the same effect as the original signature.

IN WITNESS WHEREOF, the Parties have executed this License the day and year first above written.

LICENSEE

RAYTHEON COMPAN

Printed Name: David Platt

Title: VP and Associate General Counsel, EHS & Real Estate, Raytheon Technologies Corporation

APPROVED AS TO FORM: Office of the County Counsel Orange County, California

By:

Daniel

Signed and certified that a copy of this document has been delivered to the Chair of the Board per G.C. Sec. 25103, Reso 79-1535

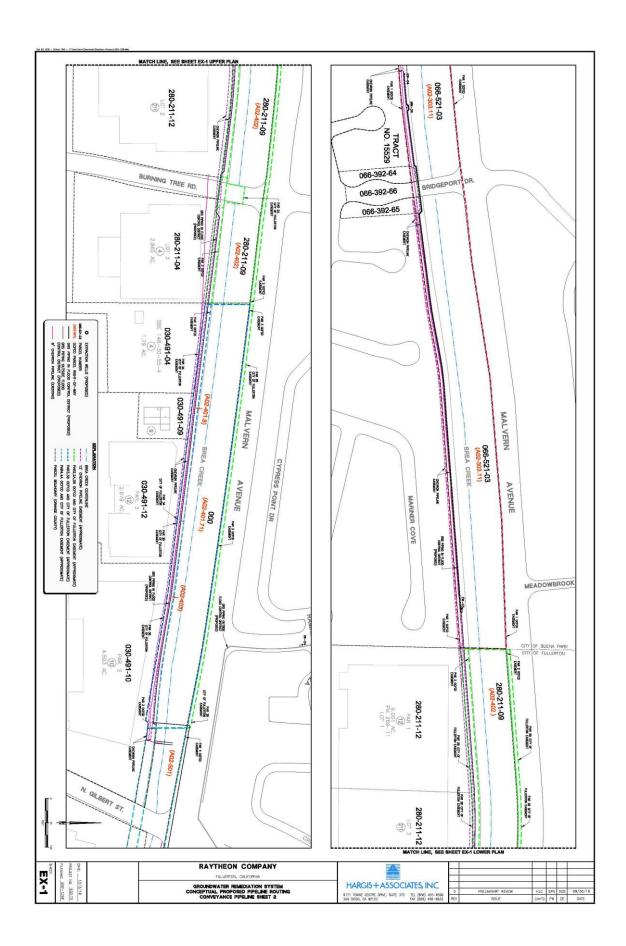
ATTEST:

Robin Stieler Clerk of the Board of Supervisors Orange County Flood Control District Orange County, California DISTRICT
ORANGE COUNTY FLOOD CONTROL,
a body corporate and politic

By:

Chairman of the Board of Supervisors Orange County, California

### **EXHIBIT A**



ESB 08/15/2018 CL10.11.2018

License Agreement

EXHIBIT B		
COUNTY PROPERTY PERMIT NOS. FE19-0158	and FE19-0159	
LICENSE DESCRIPTION (10.1 S)		
PROJECT NO:	WRITTEN BY:	E. Scott Burns
PROJECT: Brea Creek	DATE:	August 17, 2018
NOT TO BE RECORDED		